

BEFORE THE
COPYRIGHT ROYALTY TRIBUNAL
WASHINGTON, D.C.

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:
In the Matter of
:
1989 CABLE ROYALTY
:
DISTRIBUTION PROCEEDING
:
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DOCKET NO. CRT 91-2-89CD

(This volume contains pages 371 through 524)

Washington, D.C.

Tuesday, September 17, 1991

The above-entitled matter reconvened, pursuant to adjournment, in the Offices of the Copyright Royalty Tribunal, in Room 921, 1825 Connecticut Avenue, N.W., Washington, D.C., at 10:00 a.m.

BEFORE:

MARIO F. AGUERO	Chairman
J.C. ARGETSINGER	Commissioner
CINDY DAUB	Commissioner
ROBERT CASSLER	General Counsel

NEAL R. GROSS

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C O N T E N T SEXAMINATIONWITNESSESDIR CROSS REDIR RECROSS TRIB'LProgram Suppliers

Allen R. Cooper

By Mr. Garrett

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E X H I B I T SNUMBERFOR
IDENTIFICATION RECEIVEDJoint Sports

JCS 13-X	(Excerpt NSI Ref Sup)	376	--
JCS 14-X	(Excerpt Nielsen TV Vwg Sample Diary)	376	--
JCS 15-X	(Ltr dtd 8-26-91 w/att)	477	--

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P R O C E E D I N G S

(10:00 a.m.)

CHAIRMAN AGUERO: Good morning. This morning, we are continuing with the 1989 Distribution Proceedings. We will continue with Mr. Cooper and Mr. Garrett for the Joint Sports Claimants.

Whereupon,

ALLEN R. COOPER

resumed the witness stand, and having first been duly sworn, was examined and testified further as follows:

MR. GARRETT: Mr. Chairman, before I start my cross-examination, let me hand out two documents, which I will mark as Sports Exhibit 13-X.

(Whereupon, the document was marked for identification as Exhibit No. JCS 13-X)

Mr. Chairman, Sports Exhibit 13-X is entitled the Nielsen Station Index Reference Supplement, and it consists of several pages taken from the 1989-90 Reference Supplement.

Let me also at this time pass out copies of what we'll mark as Sports Exhibit 14-X.

(Whereupon, the document was marked for identification as Exhibit No. JCS 14-X)

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1 Sports Exhibit 14-X is entitled on the first page
2 Nielsen TV Viewing Sample Diary.

3 CROSS-EXAMINATION

4 BY MR. GARRETT:

5 Q Allen, have you had an opportunity to review
6 Sports Exhibit 14-X?

7 A I haven't reviewed 13-X or 14-X, but I am
8 familiar with the material.

9 Q Could you explain for the record what Sports
10 Exhibit 13-X is, please?

11 A Exhibit 13-X, the Reference Supplement, is a
12 complete description by Nielsen of the methodology
13 underlying the Nielsen Station Index Surveys.

14 Q And Sports Exhibit 14-X (sic) consists of
15 selected pages from that Reference Supplement, does it not?

16 A Yes, it does.

17 Q Allen, for your own information, I have a
18 complete copy of the Reference Supplement here in the room.
19 If, at anytime during the cross-examination, you would like
20 to refer to the complete version, please let me know.

21 A Thank you.

22 Q Allen, could you also identify for the record,
23 Sports Exhibit 14-X?

24 A This is a reproduction of a diary sent to non-
25 Hispanic households that have -- to whom Nielsen has sent

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1 diaries during -- I don't know whether this is 1989 or some
2 other year.

3 Q Allen, both of these documents, Sports Exhibits
4 13-X and 14-X, were produced to us by the Motion Picture
5 Association, are you aware of that?

6 A I know that we provided the Reference
7 Supplement. The reason I am hesitant about this, Bob, is
8 that my recollection is that the diaries we received from
9 Nielsen when we requested them, were not for 1989 but for
10 a subsequent year, but we were told that they were
11 essentially unchanged from the diaries that were used in
12 1989.

13 Q You do not know whether Sports Exhibit 14-X was
14 the diary that was in use in 1989?

15 A I do not know this.

16 Q Do you know what changes there might have been
17 between the diary used by Nielsen in 1989 and the ones that
18 were sent to you?

19 A The information that was given when we received
20 the diaries from Nielsen was that they were essentially
21 unchanged from the diaries that were used in 1989.

22 Q All right. Thank you, Allen.

23 Allen, just a couple of other preliminary matters
24 here. At the end of Friday's session, Commissioner
25 Argetsinger had asked you generally how the Nielsen process

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1 works. What I would like to do with you today, Allen, is
2 go through that process on a step-by-step basis, starting
3 from the ground and working all the way up to the point
4 where we get to the different viewing shares that are set
5 forth in Program Suppliers' Exhibit Number 1, okay?

6 A I will try to follow you.

7 Q First, Allen, let me ask you to turn to page 3
8 of your prepared statement.

9 A I have no page 3, do you mean page 6?

10 Q I'm sorry, your prepared statement, Allen.

11 A Oh, excuse me. Yes, sir.

12 Q Again, as a preliminary matter, Allen, you state
13 there in that first paragraph under Overview of Nielsen
14 Special Studies, that 1983 was the last fully litigated
15 proceeding, do you see that?

16 A Yes, sir.

17 Q And because it was the last fully litigated
18 proceeding, in your view, most of the comparisons that you
19 draw in your statement are between 1983 and 1989, correct?

20 A That is correct.

21 Q Now, Allen, it is the case, is it not, that in
22 1983 Program Suppliers and the Joint Sports Claimants were
23 Settling Parties, correct?

24 A I can't recall that, Mr. Garrett.

25 Q Do you recall whether, in the 1983 proceeding,

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1 the Joint Sports Claimants in any way challenged the MPAA
2 Viewing Study that was introduced in that proceeding?

3 A I can't say that for certain. I believe that we
4 did settle in 1983, but I have no clear memory of that.

5 Q And you have no recollection of whether Joint
6 Sports Claimants challenged any aspect of the 1983 MPAA
7 Viewing Study?

8 A I do not.

9 Q All right. Let's start at the beginning here,
10 Allen, with Nielsen. There are two principal Nielsen
11 databases, are there not -- the NTI or National Television
12 Index, and NSI or National Station Index -- correct?

13 A No, the NSI is the Nielsen Station Index, and I
14 don't refer to them as databases. If you want to talk to
15 them as survey methodologies, I would agree with you.

16 Q All right. There are two principal Nielsen
17 survey methodologies, NSI and NTI, correct?

18 A That's correct.

19 Q NSI refers to Nielsen Television Index, is that
20 right?

21 A NSI?

22 Q I'm sorry. NTI refers to Nielsen Television
23 Index, correct?

24 A That's correct.

25 Q And NSI refers to Nielsen Station Index, correct?

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1 A And that's correct.

2 Q Now, the Nielsen Television Index, or NTI,
3 provides data on a nationwide basis, does it not?

4 A National data, yes.

5 Q And it provides the data for network programs,
6 correct?

7 A It provides specific data for network programs,
8 but there are also many other reports which are generated
9 from the NTI in addition to the network audience figures.

10 Q They also have data concerning superstations,
11 correct?

12 A They have data concerning superstations, and
13 basic cable network services, and pay cable services.

14 Q But, basically, it shows -- it provides viewing
15 information on a national basis for various types of
16 programs, correct?

17 A That is correct.

18 Q And the data that is provided by the NTI
19 methodology is provided for 12 months per year, correct?

20 A It's provided every day throughout the year.

21 Q It doesn't provide data just for the four or five
22 or six sweep periods that we've referred to throughout
23 these proceedings, correct?

24 A No, it provides data -- daily data, throughout
25 the year.

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1 Q If I wanted to know, for example, what viewing
2 a particular program or group of programs on a superstation
3 had, I would be able to go to the NTI database, correct?

4 A Would you repeat -- you are asking if you want
5 to know the audience to superstation programming, that you
6 could get that from NTI --

7 Q Yes.

8 A -- on a daily basis? I believe that that's true,
9 yes.

10 Q And when we use the term "superstations", do you
11 know what stations -- well, what stations are you referring
12 to?

13 A Primarily, WTBS, WGN and WWOR.

14 Q Allen, the data that Nielsen uses to estimate
15 national audiences through its NTI methodology is not
16 derived from diaries, is it?

17 A It is not.

18 Q In fact, it is derived from what is known as
19 "people meters", correct?

20 A This is since I believe it is 1986. Prior to
21 1986, the NTI data were developed by a combination of
22 meters and diaries.

23 Q Since 1986, which was since the last Phase I
24 controversy, Nielsen has been providing these national
25 audience estimates in its NTI methodology solely through

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1 people meters, correct?

2 A That's correct.

3 Q And it has not used diaries in any way to provide
4 these national projections?

5 A Not through NTI.

6 Q Can you explain to the Tribunal exactly what a
7 people meter is, Allen?

8 A A people meter is a device which is attached to
9 each television set in a sample household. There are, I
10 believe, at this time, approximately 1800 to 2,000
11 households in the national Nielsen Household Sample. These
12 meters are attached to each television set in those
13 households, and also those meters are attached to a
14 telephone line in those households.

15 The householders, the persons living in that
16 household, are given a hand-held device which they are
17 presumed to depress when anyone in the household is viewing
18 television on a particular set, and this hand-held device
19 identifies a person in that household by a code which is
20 known to Nielsen.

21 The data which includes the tuning of the
22 television, of each television set in these households, to
23 a particular channel, to a particular station, and the
24 information with respect to the depressing of the hand-held
25 device are transmitted to Nielsen in Dunedin, Florida,

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1 where they are then processed and from which the ratings
2 data are developed.

3 Those ratings data are available almost
4 instantaneously, but certainly on a same-day basis, to the
5 subscribers of the service.

6 COMMISSIONER ARGETSINGER: So, this is
7 transmitted instantly as soon as the subscriber pushes the
8 button?

9 THE WITNESS: It is my understanding that --
10 there are two ways, of course, of handling this thing. One
11 is to have the meter equipped with a recording device so
12 that they can "dump", if you would, the metered data at one
13 time. Alternatively, there could be a dedicated telephone
14 line to Dunedin, which would provide those data
15 instantaneously for tabulation and analysis.

16 COMMISSIONER DAUB: Are they demographically
17 select households?

18 THE WITNESS: Very carefully selected households.
19 The sampling for the Nielsen is a very expensive and very
20 carefully done process. However, even with all of that
21 care taken in terms of selecting households for the sample,
22 there are many households which refuse to cooperate with
23 Nielsen, and so they have to pick a substitute household
24 for it. As soon as they go into a substitute household,
25 the randomness, if you would, the probability aspects of

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1 a sample are diluted. Anytime you make a substitution from
2 a randomly selected sample, you now have a problem of
3 sampling error situation. This is generally -- it's part
4 of the process, and you just have to accept the fact that
5 not all households will cooperate.

6 The other problem they have with Nielsen is that
7 -- I think we all have that experience -- that television
8 sets go out of order, people go away on vacations, there
9 are visitors in households, and so forth. And these all
10 are complexities that involve the people meter -- even
11 these automatic people meter situations.

12 CHAIRMAN AGUERO: And you have 2,000 only in the
13 whole country?

14 THE WITNESS: Two thousand, yes, sir.

15 CHAIRMAN AGUERO: In the whole country.

16 THE WITNESS: The whole country. It used to be,
17 before they went to the people meter, when I was working
18 with Nielsen back in the old days, the total sample was
19 around 1200 households for the whole country.

20 CHAIRMAN AGUERO: For how many weeks are they in
21 the home?

22 THE WITNESS: It's every day.

23 CHAIRMAN AGUERO: In each home?

24 THE WITNESS: Oh, the homes are continuously
25 involved, but they change the sample. Generally -- I may

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1 not be correct on this -- I think that a household
2 participates for perhaps a year or year and a half.

3 CHAIRMAN AGUERO: The same house, the same meter,
4 you have it for one year in the house?

5 THE WITNESS: That's correct. It's for an
6 extended length of time, and then the household is pulled
7 out of the sample and another household is substituted for
8 it.

9 COMMISSIONER DAUB: Mr. Chairman, counsel has a
10 question.

11 MR. CASSLER: This may be where Mr. Garrett is
12 leading, but I just want to know, how would you compare the
13 accuracy of a sample drawn from 2,000 households, with the
14 accuracy of something drawn from 200,000 diaries, or
15 300,000?

16 THE WITNESS: From a statistical standpoint --
17 purely statistical standpoint -- the Nielsen Television
18 Index diary sample is subject to probably higher standards
19 of accuracy than the diary work. I don't know if I've
20 answered your question correctly.

21 I'm just trying to say that in terms of
22 statistics, the NTI sample is probably more precise
23 statistically than the diary sample, regardless of the
24 number of households. In other words, the 2,000 households
25 selected on a random basis, as carefully as Nielsen tries

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1 to do it, with the deficiencies that I've pointed out, is
2 a good sample, and the statistics that come from it are
3 very highly regarded statistically.

4 MR. CASSLER: But isn't there a chance for a
5 seldom-watched show to be more missed by just 2,000
6 households than it would be missed by 200,000

7 THE WITNESS: Yes. I mean, the -- yes.

8 CHAIRMAN AGUERO: As you may know, Mr. Cooper,
9 any person, any household, has a tendency in watching
10 whatever they want to watch but, in certain houses, people
11 like to see sports, or they would like to see PBS, NAB,
12 movies, repeats of special programs, and that household,
13 in one year and a half, would project more sports program
14 than the other house would project PBS or NAB or Program
15 Suppliers?

16 THE WITNESS: Presumably, Mr. Chairman --

17 CHAIRMAN AGUERO: This is what I think. I may
18 be wrong, I don't know.

19 THE WITNESS: Mr. Chairman, whatever programs the
20 people in that household want to watch, or do watch,
21 presumably is recorded by Nielsen.

22 CHAIRMAN AGUERO: I know.

23 THE WITNESS: And as I said, if someone in the
24 household wants to watch a sports program and there are two
25 television sets, and the other one wants to watch People's

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1 Court, they can do it and they will both be recorded.

2 The trick that comes in, Mr. Chairman --

3 CHAIRMAN AGUERO: When you said 2,000 households,
4 it doesn't matter if you have four TV sets in one
5 household?

6 THE WITNESS: That's correct.

7 CHAIRMAN AGUERO: Then you count that household
8 with four or one?

9 THE WITNESS: That's correct. And I was just
10 going to say that a thing that is interesting is that not
11 only are the television sets connected, but also the video
12 cassette recorder is connected to the meter. If there are
13 video games in the household that are used, this is also
14 recorded, as far as part of the autometer service of
15 Nielsen Television Index. In other words, they get a
16 complete picture of the use of television sets in that
17 household. And as I indicated, if there is more than one
18 set, there will be more than one meter. Every set will be
19 metered. It's a good service, there's absolutely no
20 question about that.

21 CHAIRMAN AGUERO: Thank you very much, Mr.
22 Cooper. Of course, they don't get involved in the private
23 life of the person in the household.

24 (Laughter.)

25 BY MR. GARRETT:

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1 Q Allen, just to follow up on some of the
2 questions the Tribunal was asking, the NTI service which
3 relies on people meters, in essence, relies upon a machine
4 to accurately record all of the viewing in the sample
5 household, correct?

6 A Yes, that's true, Bob.

7 Q And the diary, on the other hand, relies --

8 A It relies also on the people, the householders,
9 to --

10 Q To turn the machine on.

11 A -- activate the machine properly.

12 Q Okay. The diaries, on the other hand, rely
13 solely on individuals to accurately record what it is that
14 they are viewing, correct?

15 A That is correct, Bob.

16 Q Now, you said that Nielsen, years ago --
17 actually, only about five years ago -- provided NTI data
18 based on both diaries and people meters, correct?

19 A No. They did not use people meters in 1986.
20 They began to use people meters then.

21 Q They used diaries in 1986.

22 A Yes. What they were doing then -- and I think
23 we've gone through it in previous proceedings -- is that
24 the diaries were used for demographic data. They had a
25 sample of people, a constant sample -- not like the NSI

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1 service which we will probably talk about -- they had a
2 sample of some 5-600 households that remained and filled
3 out diaries for several months, over a period of several
4 months. And in those diaries they recorded who watched -
5 - the persons who watched the programs. And that was the
6 whole basis for Nielsen's demographic data for the NTI
7 study, NTI service.

8 With the people meter, they discontinued the
9 demographic part of the diary part of the NTI service, and
10 it is now all on the metered basis.

11 Q NSI relies upon diaries in some markets, correct?

12 A NSI? Yes, NSI -- the basic NSI service uses
13 diaries on a national basis. In addition to that, the NSI
14 service also includes metered data in certain major markets
15 around the country. In other words, in major markets,
16 there could be a combination of meters and diaries as part
17 of the NSI service.

18 Q Are the meters that are used for NSI purposes the
19 same as the meters that are used for NTI purposes, Allen?

20 A I'm not certain, Bob. I think that the NSI
21 meters are like the old autometers, and they only recorded
22 tuning, did not provide the demographic data.

23 Q That's my understanding as well, Allen. Now,
24 let's go back a second. You talked about major markets
25 where they have a combination of meters and diaries, right?

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1 A Yes, of course.

2 Q Now, what major markets are we referring to here?

3 A I'm not quite certain. I believe that the number
4 of markets that were diary-measured were NSI -- meter-
5 measured, rather, were NSI. It continually expands by one
6 or two or three a year. I believe that the number now is
7 something like 17, 18, 19 or 20.

8 Q Let me ask you to take a look at page 74 of the
9 NSI Reference Supplement, which is marked as Sports Exhibit
10 13-X. Up at the top of that page, Allen, they identify a
11 number of markets which they refer to as "metered markets",
12 do you see that?

13 A Yes, I do.

14 Q Is it your understanding, Allen, that the
15 reference here is to those particular markets which, in
16 1989, had metered data available?

17 A That's correct. As of July, 1989, specifically.

18 Q All right. These are basically the largest
19 markets in the United States, correct?

20 A That's correct. They --

21 Q I'm sorry -- go ahead.

22 A I don't think that the markets which are
23 enumerated are essentially the largest markets. They are
24 markets where, presumably, not only are they large, but
25 also the subscribers to the Nielsen -- the Nielsen

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1 subscribers in those markets, largely the broadcast
2 stations, were agreeable to paying an additional fee to
3 cover the additional cost of meters in those markets.

4 So, you would have other markets which would be
5 larger than are the ones that are enumerated here, but
6 where Nielsen did not have the support of the station
7 subscribers, and so they did not meter them.

8 Q Would it be fair to say, Allen, that the markets
9 that are identified here as metered markets accounted for
10 something in excess of 30 percent of the television
11 households in the United States in 1989?

12 A I believe that's true, yes.

13 Q You indicated earlier, Allen, that the number of
14 metered markets grows each year, correct?

15 A That's correct.

16 Q So, the number of metered markets that exists
17 today, in 1991, would be larger than those that existed in
18 1989, correct?

19 A That's correct.

20 Q Allen, you had given a brief explanation earlier,
21 about the nature of the people meters, do you recall?

22 A Yes.

23 Q Let me ask you to turn to page 75 of the
24 Reference Supplement, under the heading Measurement
25 Techniques, do you see that?

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1 A Yes, I do.

2 Q Would you just read into the record the first
3 paragraph there?

4 A "The measurement system uses automatic
5 instrumentation that electronically stores minute-by-minute
6 records of TV receiver tunings in meter market sample
7 households. These records are inherently free of 'response
8 error' in that they require no effort, recall, or reply
9 from persons in the sample regarding dial settings, station
10 call letters, programs and the like. The tuning records
11 are automatically communicated by phone to a central
12 computer each day. The metering system can monitor up to
13 12 TV sets."

14 Q Thank you, Allen. When they refer there to
15 records that have response error resulting from effort,
16 recall or reply from persons in the sample regarding dial
17 settings, station call letters, programs and the like, they
18 are referring there, are they not, to the response errors
19 associated with diaries, correct?

20 A I think that that's a fair statement, Bob.

21 Q The bottom line is that in Nielsen's judgment,
22 the data that they obtain from meters in the metered
23 markets, is going to be more accurate than information that
24 they obtain from diaries, correct?

25 A Well, there are offsetting errors involved in the

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1 metered situation. The metered situation assumes that when
2 a TV set is on and tuned to a particular station, that
3 somebody is viewing that television set. And there is no
4 evidence on the metered tuning situation that anybody is
5 viewing it. It could be a cat, or a dog, or no one at all.
6 As long as the set is on and tuned to a particular station,
7 it is counted the same as if a station was tuned and being
8 viewed by one of the people in the household.

9 Q Is it your position, Allen, that if someone
10 enters in the diary that a particular program was watched
11 during a half-hour or an hour period that, in fact, that
12 program was watched during that entire period?

13 A Well, first of all, the diaries are on a 15-
14 minute period, not on an hour period.

15 Q The same question with respect to a 15-minute
16 period.

17 A It would be my opinion that the diary entry more
18 accurately reflects actual viewing than merely a viewing
19 record.

20 Q Let me go back to my original question, Allen,
21 and that is with respect to A.C. Nielsen Company. Is it
22 A.C. Nielsen's position that the information they obtain
23 from meters is more accurate and reliable than information
24 that is obtained from diaries?

25 A I would certainly believe that Nielsen and the

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1 overall industry would feel that national data, national
2 ratings data, from meters are probably more accurate than
3 national audience data from diaries.

4 Q You very adeptly avoided my question, Allen. I
5 am referring here now just to the NSI database, okay? Do
6 you understand that? I'm not talking about national
7 ratings. Do you understand?

8 A Yes, I understand. I was looking previously at
9 what you had asked me to look at in terms of the NSI
10 metered markets and, if I recall, there were disadvantages
11 of the meters listed on that page, and I believe that they
12 include the fact that tuning is not necessarily equated
13 with viewing, and this is the problem that I'm referring
14 to.

15 Q Allen, I guess it's a fair statement that
16 whenever we compare different methodologies, we're going
17 to find some pluses and minuses in those methodologies.
18 We agree on that, correct?

19 A Yes, sir.

20 Q But what I want to know now is, there are two
21 methodologies that Nielsen uses to produce NSI viewing
22 information, correct?

23 A Right.

24 Q One is meters and one is diaries, correct?

25 A Yes.

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1 Q Is it Nielsen's position that the information
2 obtained from meters is more reliable and more accurate
3 than information obtained from the NSI diaries?

4 A I don't know what Nielsen's position is.

5 Q Is it your position that the information which
6 Nielsen obtains from his NSI meters is more accurate and
7 more reliable than the information which Nielsen obtains
8 from its NSI diaries?

9 A I think they both have advantages and
10 disadvantages. I mean, I'm not ready to say that the
11 metered information is necessarily better than the diary
12 information.

13 Q Okay. Let's go to one of the markets in which
14 the NSI meters are available. The data that Nielsen
15 provides, viewing data that Nielsen provides to its
16 customers in that particular metered market, is based upon
17 what, Allen?

18 A A combination of diaries and meters.

19 Q Exactly how does Nielsen derive the viewing data
20 using a combination?

21 A I'm sorry, I can't answer that question.

22 Q It is clear, is it not, Allen, that in the
23 metered markets, Nielsen does not rely solely upon NSI
24 diaries, correct?

25 A That is absolutely correct.

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1 Q That whatever information is contained in those
2 NSI diaries is somehow adjusted to account for information
3 that is obtained from the meters, correct?

4 A It's hard for me to answer. I'm trying to tell
5 you -- I will tell you what I know and I will testify as
6 accurately as I can. It is my understanding, and this is
7 based upon inquiries I've made over the years of Nielsen,
8 with respect to the NSI meters, that the NSI meters are not
9 placed throughout the area that the stations in that market
10 serve, that they are limited to counties directly adjacent,
11 if you would, in the designated market area of that
12 station.

13 There is no data then in terms of the viewing of
14 those stations in their totality, within the area where the
15 meters are installed and the areas beyond where the meters
16 are installed, but where the stations are viewed. And it
17 would be my understanding that the combination of meters
18 and diaries is used for two purposes. One is to extend
19 the coverage to the total station areas rather than limit
20 it to the more restricted area in which the meters are
21 placed. And the second is for demographic purposes.

22 And as I indicated earlier, it's my understanding
23 that the meters that are used by NSI do not provide
24 demographic information, that this is provided from the
25 diaries in those markets.

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1 Q And that demographic information is quite
2 important, correct?

3 A It is important. I think we all saw an article
4 in yesterday's Times dealing with that issue on the part
5 of the national networks.

6 Q The one at the beginning of the business section,
7 no doubt.

8 A Yes, we saw it all.

9 Q Allen, if at any point when I ask a question and
10 you don't know the answer, just say "I don't know".

11 A I do.

12 Q Okay. The reason I ask these questions, and I
13 hope you understand, Allen, is because you're the one
14 sponsoring Program Suppliers' Exhibit 1. There is no one
15 from Nielsen here that is in any way sponsoring or talking
16 about the methodology that goes into Program Suppliers'
17 Exhibit 1. You're the only one I have to ask these
18 questions of, you understand that, don't you?

19 A I understand that, Bob. I think, however, that
20 no where in terms of our special study have we referenced
21 NTI --

22 Q I'm not talking about NTI, Allen, I'm talking
23 about NSI.

24 A But you were. And also nowhere in my testimony
25 have I mentioned the use of metered data to supplement the

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1 material that is in our Exhibit 1.

2 Q Well, Allen, let me ask you to turn to Exhibit
3 MEK-8 and, in particular, page A-68, and let me direct your
4 attention to the second paragraph under paragraph E,
5 Computation Procedures and Presentation of Results. Do you
6 see that?

7 A Yes, I do.

8 Q Could you read that paragraph into the record,
9 Allen?

10 A It says, "The viewing data are based solely on
11 NSI diary information. Viewing information from diary
12 households located in NSI metered markets have not been
13 meter-adjusted".

14 Q I'd like to make certain that the record is clear
15 on exactly what that means, and that's the reason for my
16 question. Is it not a fact, Allen, that the viewing data
17 which Nielsen provides in its metered markets, is based
18 solely on data derived from meters?

19 A From what?

20 Q From meters.

21 A Say that again, Bob. I don't think it's true,
22 but I'd like to make sure.

23 Q Is it not a fact that the information, the
24 viewing information, that Nielsen provides in its NSI
25 metered markets is based solely on data taken from meters?

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1 A I believe that is not true.

2 Q What is your understanding of the situation?

3 A The reason I am saying I believe it's not true
4 that -- I have examined the report that they call Viewers
5 in Profile Report for the New York market, and in that
6 report they provide data both for the designated market
7 area, which Ms. Kessler described in her testimony, and for
8 the total station area. And it is my belief, as I
9 testified a few minutes ago, that the diaries -- that the
10 meters alone will not provide data for the total station
11 area viewing of stations in the New York market.

12 Q All right. Then let's divide it up into the two
13 components of the market, the DMA and then the total
14 station area, all right?

15 A Yes, sir.

16 Q With respect to the DMA alone, is the information
17 that Nielsen provides its customers, it's NSI customers,
18 on viewing, derived solely from the use of meters?

19 A I believe that that's true, Bob.

20 Q For the total station area or the TSA, there we
21 have a combination of information derived from meters and
22 diaries, correct?

23 A That's correct.

24 Q And that's what Nielsen provides its customers,
25 viewing information derived from both meters and diaries,

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1 correct?

2 A That's correct.

3 Q The data that underlies your Exhibit 1 is taken
4 solely from diaries, correct?

5 A That's correct.

6 Q In no way is that data adjusted to reflect
7 information that Nielsen provides its customers, on the
8 basis of metered information, correct?

9 A And that is correct, as stated by Nielsen.

10 Q Allen, let's move to another topic here, and that
11 concerns the method in which Nielsen selects its samples
12 for participation in the NSI service, all right?

13 A Yes, sir.

14 Q Now, as I understand it, Allen, Nielsen has
15 divided the country into 200-plus markets.

16 A That's correct.

17 Q And each market is mutually exclusive from the
18 next, correct?

19 A That's correct.

20 Q And these markets are what you refer to as the
21 DMAs?

22 A That's correct.

23 Q And DMA refers to designated market area,
24 correct?

25 A Yes, Bob.

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1 Q Nielsen pulls a sample for each DMA, does it not?

2 A Yes, it does.

3 Q It's a separate sample, is it not?

4 A Yes, sir.

5 Q And the particular sample that it pulls in each
6 DMA is a stratified random sample, is it not?

7 A It is a random sample of the telephone households
8 in each designated market area. It is stratified in terms
9 of the difference in the number of sample households in
10 each of the designated market areas. The number of
11 households sampled in each area is not based upon a random
12 count -- the percentage, let's say -- of the households in
13 each area, of the total households in the United States.
14 So, from that standpoint, it is clustered or stratified,
15 but the selection of the households in the telephone frame
16 is purely random.

17 Q Is it not the case, Allen, that in each DMA
18 Nielsen divides that DMA into different strata?

19 A I really can't answer that positively, Bob,
20 either way.

21 Q If I wanted to get an answer to that question,
22 Allen, where would I look?

23 A You'd look in the methodology.

24 Q The NSI Reference Supplement?

25 A That's correct.

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1 Q And if I looked at pages 6 through 9 of that
2 Reference Supplement, would that provide me with an answer
3 as to whether or not it's a stratified random sample that
4 Nielsen pulls in each DMA?

5 A Presumably it would, sir.

6 Q Would you be so kind, Allen, as to look at pages
7 6 through 9.

8 A (Complying.)

9 Q Allen, in particular, let me direct your
10 attention to the second paragraph, first sentence. Do you
11 see where it says "For sampling purposes, the counties in
12 each NSI market where the DMA are divided into one or more
13 geographic areas of strata"?

14 A Yes.

15 Q And then when you look down at the next
16 paragraph, we see where it says "The specified sample for
17 a market is allocated to the sampling strata comprising the
18 market", do you see that?

19 A Yes, I do.

20 Q And go to the next paragraph and we see where it
21 says "The specified sample for a market will be allocated
22 to the sampling stratum level in proportion to the number
23 of television households", do you see that?

24 A Yes, I do.

25 Q Now, we can continue on throughout these pages

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1 making similar references, Allen, but isn't it a fair
2 reading of the Reference Supplement, that the NSI samples
3 are, in fact, stratified random samples?

4 A I think that where I'm having my difficulty, Bob,
5 is that as I read this, the strata are determined on the
6 basis of the population in each county and, within each
7 county, a random sample is drawn.

8 The problem I have is that, generally, when you
9 are dealing with stratification, you're dealing with a
10 distribution by some characteristic, such as demographics
11 or occupation or income. This is on the basis of the
12 population within the area.

13 I would agree that on a purely statistical basis,
14 that that is a stratum, and that you would refer to it as
15 a stratified sample.

16 Q And that is, in fact, how Nielsen refers to it?

17 A And I'm not disagreeing with that. I just wanted
18 to make it clear that the stratification is based upon
19 population, the number of TV households in the county,
20 rather than some other type of demographic characteristic.

21 Q Why would they base it upon the number of TV
22 households in the county?

23 A Well, there are several reasons for that and,
24 again, we are dealing with other applications. For
25 example, one of the first services that I began to use from

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1 the Nielsen thing was what was called a County Coverage
2 Study, and this then provided data for each county in the
3 United States in terms of the stations and viewing within
4 that county.

5 In order to be able to provide data on a county
6 basis, they need at least a minimum number of households
7 in each county, and so they would over-sample, if you
8 would, on a disproportionate basis, the number of the TV
9 households in a small county, and under-sample the TV
10 households in a large -- relatively large county. They
11 wanted to get at least a number of households in each
12 county that would provide a statistically reliable basis
13 for the study purposes.

14 Q One way they could have done it, Allen, is, they
15 could have just gone and sampled, say, every one-thousandth
16 household in the DMA, correct?

17 A That's correct.

18 Q You talk about this telephone list that they had.
19 They could have simply gone to that list and said, okay,
20 I'm going to contact telephone number one, and then
21 telephone number 1,000.

22 A They do that for each county. They do exactly
23 that for each county.

24 Q For all of the counties within the DMA, however,
25 they are going to sample those in proportion to some

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1 characteristic that's important to them, correct?

2 A The sampling in each county is based upon their
3 requirements for that county, what their survey
4 requirements are for that county.

5 Q Okay. Now, Allen, there are, in fact, certain
6 groups that are not included in the Nielsen sample frame,
7 correct?

8 A The only group that I know of -- the only groups,
9 if you would, that are not included in the telephone frame
10 are, one, commercial establishments and, two, non-telephone
11 homes.

12 Q There are commercial establishments that are
13 served by cable television, correct?

14 A Yes.

15 Q A sports bar, for example, could be a commercial
16 establishment served by cable?

17 A Yes.

18 Q Viewing that might go to a superstation, a major
19 sports telecast on a superstation in a sports bar, would
20 not be included in your study, would it?

21 A I think that that's true, Bob.

22 Q You also indicated people who do not have
23 telephones are not included within the sample frame,
24 correct?

25 A That's correct.

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1 Q Conversely, those people who have more than one
2 telephone number have a greater chance of being included
3 within the survey, correct?

4 A I don't know if that's the case. Maybe so. I
5 think that there is other references to screening and that
6 they undertake to possibly eliminate that problem, but it
7 is possible, Bob, yes.

8 Q After they select the households that they wish
9 to sample for NSI, it's my understanding, Allen, that
10 someone from Nielsen, from a centrally located telephone
11 bank, calls that household and asks them to participate in
12 the NSI survey, correct?

13 A That is correct.

14 Q And it is also my understanding that Nielsen will
15 make up to five to ten calls.

16 A To reach that household.

17 Q To reach that household.

18 A Yes.

19 Q And if they don't reach the household after, say,
20 ten calls, and it's an unlisted number, then no further
21 calls are made asking for participation in the survey,
22 correct?

23 A If that's what it says in this methodology, I
24 would say yes.

25 Q Would you refer to page 11. Do you see the third

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1 paragraph there?

2 A Yes.

3 Q It indicates there, does it not, Allen, that if
4 this is a listed number, Nielsen will make up to five
5 telephone calls to solicit participation in the survey,
6 correct?

7 A I don't follow that because I think that the
8 second part of that sentence does not specify listed
9 telephone household. The five telephone calls does apply
10 definitely to the first part of that sentence, but not
11 necessarily to the second.

12 Q What is your understanding of what is stated in
13 the final sentence there, dealing with the ten attempts to
14 make phone calls?

15 A I understand from that sentence that they are
16 treated differently, the listed and unlisted households -
17 - that for the listed ones, for which they will still send
18 the diaries whereas, for the unlisted telephone households
19 which they were unable to reach, they do not send diaries.

20 Q Now, Allen, it is clear, is it not, that Nielsen
21 does not, as a general practice, make more than ten
22 telephone calls in order to solicit someone's participation
23 in the NSI survey process?

24 A At the beginning, the first calls, yes.

25 Q What calls are made after that?

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1 A They make subsequent calls during the diary week
2 and following the end of the diary period.

3 Q What are the total number of telephone calls that
4 are made to any one residence asking for their
5 participation in the survey?

6 A Asking for their participation?

7 Q Yes.

8 A I don't know. The sentence I just read indicates
9 up to five. I don't know where the ten came from.

10 Q Let's move on to another area, Allen, and that
11 is the number of people who agree to participate in the NSI
12 survey. Now, if I turn to your testimony at page 5, you
13 state there in the penultimate paragraph that "Nielsen
14 initially designated a sample of approximately 240,000
15 television households to whom one-week diaries were sent",
16 do you see that?

17 A Yes, sir.

18 Q As I understand it, the diaries that were sent
19 to these 240,000 households were one-week diaries, correct?

20 A Always.

21 Q Of those 240,000, Nielsen determined that 102,000
22 households provided "usable diaries", correct?

23 A That's correct.

24 Q And that amounts to a response rate of
25 approximately 43 percent, does it not?

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1 A Yes.

2 Q And we derive that number simply by dividing the
3 102,000 by 240,000, correct?

4 A That's correct.

5 Q Now, is it Nielsen's belief, Allen, that with a
6 43 percent response rate, it can accurately estimate the
7 viewing in all cable households throughout the United
8 States?

9 A Yes.

10 Q And that is your belief as well?

11 A Yes.

12 Q You refer here specifically to February 1989 data
13 -- I'm sorry -- February 1989 sweep period, correct?

14 A Yes, sir.

15 Q Is the response rate in any of the other sweep
16 periods for 1989 different --

17 A I think it's probably --

18 Q Let me finish my question, Allen.

19 A I'm sorry.

20 Q Was the response rate in any of the other 1989
21 sweep periods different than the 43 percent response rate
22 for February 1989?

23 A I don't know.

24 Q You don't know whether or not the response rate
25 was higher or lower, do you?

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1 A I don't.

2 Q Does Nielsen know?

3 A Yes.

4 Q And they have not provided that information to
5 you?

6 A I haven't asked them for it.

7 Q You just asked them for February 1989?

8 A No, I got the February 1989 figures from another
9 Nielsen service to which we subscribe, which contain these
10 data with respect to the distribution of diaries and the
11 returns -- the data which are cited on page 5 of my
12 testimony.

13 I would say one thing though, Bob, that in this
14 data that we're dealing with here, there is a very
15 important sentence that you've glossed over, and that is
16 the fact that Nielsen says that they send diaries even to
17 those households that had indicated their refusal to
18 participate in the study on the basis of the first call.

19 And there is also an indication, if I recall, in
20 this, that approximately 50 percent of the households, when
21 they are asked to participate in the first instance, refuse
22 to do so.

23 CHAIRMAN AGUERO: Those ones that refuse, does
24 Nielsen send the diaries also with the incentive, or not?

25 THE WITNESS: Yes. So, I merely mention that

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1 because I think that that has a very important bearing on
2 the returned diaries that they anticipated -- you have to
3 anticipate if you had so many people who have said they
4 would not keep the diary, to whom you have sent them, and
5 then you don't get it back, you shouldn't be surprised.

6 COMMISSIONER DAUB: Bob, before you get to your
7 point with Allen, I have a real quick -- if you could
8 answer real quickly -- when you say usable, or when Nielsen
9 says usable, what are unusable?

10 THE WITNESS: That the diaries do contain the
11 kind of information with the kind of precision that Nielsen
12 wants. For example, every diary that is returned to
13 Nielsen is carefully examined in Dunedin, with particular
14 care taken to see that when they say, for example, that
15 they viewed a program on a particular channel at a
16 particular time, and Nielsen, from its own records, knows
17 that that program was not broadcast by that channel, they
18 will call that household and try to get it corrected.

19 There are other types of things. When people
20 enter which is illegible or which is just unreasonable,
21 they will just throw the diaries out.

22 COMMISSIONER ARGETSINGER: This is a little aside
23 from just where we are now, but it's in that area. Why
24 does it take so long to get the special study done, after
25 the end of the year?

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1 THE WITNESS: Problems come in that the special
2 study involves limiting the data to distant signal cable
3 households. It takes a lot of manipulation of probably
4 close to a million diaries. If you recall, a household
5 with two television sets will fill out two diaries for the
6 week and so forth, so the numbers get to be very large.
7 And they have to then separate the data by distant signal
8 households for each television station in the sample.

9 COMMISSIONER ARGETSINGER: And normally, when
10 there is a controversy, you order up that information?

11 THE WITNESS: Pardon me?

12 COMMISSIONER ARGETSINGER: You order that
13 information every year, whether you --

14 THE WITNESS: We order that information as soon
15 as we are able to draw a sample. And, again, we draw a
16 sample, as is stated here, in terms of the distant signal
17 households. We can't get that information until after the
18 Statements of Account have been filed by the cable system.
19 So, you've got then that whole period of time before we can
20 really act and ask Nielsen to proceed with the study.

21 We still haven't, for example, defined a sample
22 for a 1990 study, if we were to do one. We don't have the
23 data yet.

24 COMMISSIONER ARGETSINGER: When will that data -
25 - what will the filing for --

1 THE WITNESS: Well, the filing for 1990 will
2 finish then in February 1991. It just takes time to
3 process --

4 COMMISSIONER ARGETSINGER: You just haven't been
5 able to --

6 THE WITNESS: No, it just takes a long time.
7 There are, I think, 20,000 cable systems now filing
8 statements of account, of which about 2,000 are the Form
9 3s, and just tabulating all that information is just an
10 enormous job.

11 BY MR. GARRETT:

12 Q I do have a number of questions concerning what
13 Nielsen does with the diaries once they get them but,
14 before I move into that area, I just want to follow up on
15 your response to an earlier question, Allen, and that
16 concerns the reason for the 43 percent response rate.

17 You indicated that a number of these 240,000
18 households initially say they don't want to participate in
19 the survey at all, correct?

20 A That's correct.

21 Q But it is nevertheless the case, is it not,
22 Allen, that the random sample that was chosen consists of
23 243,000 households?

24 A That's correct.

25 Q And, ideally, a market researcher would like to

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1 have a 100 percent --

2 A Of the 240,000.

3 Q Correct?

4 A Yes, sir.

5 Q And to the extent that it gets less than 100
6 percent, it introduces into the research non-response
7 error, correct?

8 A That's true.

9 Q And the term "non-response error", that's not a
10 Garrett term, that's a real, live term?

11 A Yes, it is.

12 Q And that refers to the kind of error one gets
13 when you are not able to get responses from the entire
14 universe.

15 A That's correct.

16 Q And in the case of at least the February 1989 NSI
17 survey, the response rate was only 43 percent, correct?

18 A That's correct.

19 Q And you have, at least as you sit here now, no
20 information on whether that response rate is typical of the
21 other sweep periods in 1989, do you?

22 A I have no actual data, no.

23 Q It could be higher or it could be lower, correct?

24 A Yes, sir.

25 Q But what you have provided to the Tribunal was

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1 only because you felt it was representative, correct?

2 A No, I provided the February data because the
3 February data were the only data which I had available to
4 me at the time I prepared my testimony.

5 Q And you're not certain whether it's
6 representative of the other sweep periods or not?

7 A I mentioned that.

8 CHAIRMAN AGUERO: Let's take a five-minute
9 recess.

10 (Whereupon, a short recess was taken.)

11 CHAIRMAN AGUERO: Back on the record.

12 BY MR. GARRETT:

13 Q Allen, you state on page 6 of your testimony that
14 you estimate your viewing data in Exhibit 1 are based upon
15 information from at least 300,000 cable households,
16 correct?

17 A That's correct.

18 Q Incidentally, you refer to that as an estimate.

19 A That's correct.

20 Q What do you mean by estimate?

21 A I don't know the precise number of households,
22 cable households, that were included in the sample, and
23 I've used an estimate based upon the percentage of cable
24 households in the United States in 1989 which, I believe,
25 was 57 percent.

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1 Q Do you have a total number of cable households
2 in the United States in 1989, Allen?

3 A No, I don't have that number.

4 Q Would it be approximately 50 million?

5 A I think it's somewhat higher than that.

6 Q Somewhat higher than 50 million households?

7 A Yes.

8 Q So that we're clear, what we're talking about is
9 the number of households which, in 1989, had cable service?

10 A That's correct, throughout 1989.

11 Q And to the best of your knowledge and belief,
12 that number would be something in excess of 50 million
13 households, correct?

14 A The only number I've cited was 57 percent, and
15 there were approximately, in 1989, probably 90 million
16 households total so, if I took 57 percent of 90 million,
17 that would be 51.3 million households.

18 Q Your diaries, let's say, at 300,000, represent
19 300,000 cable households, correct?

20 A That's correct.

21 Q And you estimate that there were approximately
22 51 million cable households in the United States in 1989?

23 A That's correct.

24 Q If I divide those two numbers, Allen, I come out
25 with a number of something less than 1 percent, correct -

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1 - approximately .06 percent?

2 A Do you want me to do the calculation?

3 Q I thought you were, I'm sorry. We can just round
4 it off. It's approximately .6 percent.

5 A Yes, 5.8 percent, close enough.

6 Q Not 5.8 percent, .58 percent.

7 A I'm sorry, .58 percent.

8 Q So that we understand, what you are saying here
9 is that the 300,000 diaries that underlie the Program
10 Suppliers' Exhibit --

11 A That's not correct.

12 Q I haven't asked my question, and already you are
13 shaking your head, Allen.

14 A No, because -- the reason I'm shaking my head is
15 because I did not say 300,000 diaries, I said 300,000 cable
16 households.

17 Q I stand corrected, you are absolutely right. The
18 information that is contained in Program Suppliers's
19 Exhibit 1 is based upon diary responses from approximately
20 300,000 cable households, correct?

21 A That's correct.

22 Q And those 300,000 cable households represent
23 approximately .6 percent of all of the cable households in
24 the United States in 1989, correct?

25 A That's correct.

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1 Q Now, is it Nielsen's belief, Allen, that on the
2 basis of receiving diaries from less than 1 percent of the
3 nation's cable households, it can estimate the viewing
4 attributable to different distant signal programs for the
5 remainder of the 99.4 percent of the nation's cable
6 households?

7 A The answer is yes.

8 Q And that is your position as well, I take it?

9 A Indeed.

10 Q What you have done is, you have sampled, or
11 you've received responses, to be more precise, from less
12 than 1 percent of the nation's cable households, correct?

13 A That's correct.

14 Q And on that basis alone, you then make viewing
15 projections for the whole 100 percent of the United States
16 cable households?

17 A I don't think we've projected the data -- this
18 is the reason I'm hesitating, Bob --

19 Q You make estimates as to --

20 A -- the numbers that we are presenting are based
21 upon the households that responded. Those numbers were not
22 projected to the total number of cable households in the
23 United States.

24 Q Well, I'm confused, Allen. The data that's in
25 Program Suppliers' Exhibit 1, does that data reflect the

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1 viewing behavior of that .6 percent of the nation's cable
2 households, or does it reflect the viewing of all of the
3 nation's cable households?

4 A Of that .6 percent.

5 Q Just the .6 percent.

6 A Yes, sir.

7 Q And you are not providing any information as to
8 the viewing behavior of the remainder of the nation's cable
9 television households, correct?

10 A To the extent that that .6 percent is
11 representative of all the cable households, that is the
12 data we are presenting.

13 Q Well, are those .6 percent of the nation's cable
14 households, in fact, representative of the other 99.4
15 percent of the nation's cable households?

16 A Within the restraints of the Nielsen methodology,
17 they do.

18 Q What do you mean by within the restraints of the
19 Nielsen methodology?

20 A We have already talked about some of the
21 limitations of the Nielsen methodology, including the non-
22 response problem. The major point I'm trying to make, Bob,
23 is that the data we have, have not been projected beyond
24 the sample, that the major purpose of the study, as I have
25 indicated in my testimony, is to provide data, comparable

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1 data, for each category of claimant programs, and they are
2 all treated equally in the study.

3 Q Is it Nielsen's position, Allen, that the viewing
4 information contained in your study provides accurate and
5 reliable estimates of the viewing attributable to all
6 distant signal programming throughout the United States?

7 A It is my contention -- I don't know what
8 Nielsen's contention is. I believe that Nielsen would
9 agree with my contention that it is representative of the
10 viewing of distant signals by all cable households, to the
11 sample stations.

12 Q Have you discussed this issue with Nielsen?

13 A I have not had a recent conversation with him.
14 We've had Nielsen witnesses before the Tribunal in the
15 past, and I believe that they have supported that position.

16 Q It's past testimony from Nielsen witnesses that
17 provide the basis of the belief you just expressed a minute
18 ago?

19 A That's correct.

20 Q Anything else, Allen?

21 A I have also been involved with audience
22 measurement through all of my working career, and am
23 familiar with various studies and analyses of the diary
24 methodology that are undertaken by the industry and, in
25 general, the industry has supported the diary methodology

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1 as being an objective and accurate method of determining
2 viewing by the nation's TV households.

3 Q I am, at this point, Allen, not interested in the
4 general discussions of the diary methodology, I'm just
5 interested in your study right here, and that study is
6 based upon diaries obtained from something less than 1
7 percent of the nation's cable households, we've already
8 established that, correct?

9 A That's correct.

10 Q And it's still not clear to me what that
11 information in the study represents, according to MPAA.

12 A It represents the distant signal viewing of cable
13 households, of a sample of cable households, of the
14 programs, non-network programs, transmitted by 147
15 stations.

16 COMMISSIONER ARGETSINGER: Mr. Garrett, could I
17 ask a question at this point? Mr. Cooper, in your Exhibit
18 Number 4, at the very end, there are 3 billion viewing
19 hours. Now, is that 3 billion viewing hours of 300,000
20 households, or is that 3 billion viewing hours of 51
21 million?

22 THE WITNESS: Three hundred thousand households.

23 COMMISSIONER ARGETSINGER: The 300,000.

24 THE WITNESS: Yes, sir.

25 BY MR. GARRETT:

1 Q Allen, just to follow up on that, the 3.8 billion
2 Household Viewing Hours, or HHVH, that Commissioner
3 Argetsinger just referred to --

4 COMMISSIONER ARGETSINGER: Is that 3.8 or 3.1?

5 THE WITNESS: Three point eight is the total for
6 all categories of programs.

7 BY MR. GARRETT:

8 Q Three point one is the total for Movies and
9 Syndicated programs. Let's just stay with the 3.8 billion,
10 which is the total of all programs, okay?

11 A Yes.

12 Q That represents the number of hours all of the
13 programming on those 147 stations that was broadcast during
14 the six sweep periods in 1989, correct?

15 A That's correct.

16 Q And you multiply that hours figure times the
17 viewing attributable to each one of those programs,
18 correct?

19 A That's correct.

20 Q The 3.8 billion Household Viewing Hours is a
21 product of two factors, hours and viewing, right?

22 A Time and viewing, right.

23 Q And viewing refers to the number of cable
24 households who were watching the program on a distant basis
25 during the average hours?

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1 A That's correct.

2 Q Now, Nielsen projects for each program this
3 viewing number. On average, Allen, what are the number of
4 cable households viewing an hour of programming, contained
5 in your study?

6 A Three thousand one hundred seventy.

7 Q Tell me again what that number represents?

8 A It's the division of 3,776,520,000 divided by
9 1,191,167.

10 Q What is the number of hours that we're talking
11 about here?

12 A The figure I was using was 1,191,167, but those
13 are quarterhours, aren't they?

14 Q Yes.

15 A So, I should multiply that by 4. That would be
16 12,682. The number of households viewing the average
17 program per hour.

18 Q How many hours --

19 A One minute, my counsel is making a good point,
20 maybe.

21 (Laughter.)

22 Q Was he under oath at the time?

23 (Laughter.)

24 A No, the reason is, I have not made that
25 calculation before, Bob. The answer we are now dealing

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1 with is correct.

2 Q What is correct?

3 A Twelve thousand six eighty-two.

4 Q And how many hours of programming were measured
5 in your study?

6 A Two hundred ninety-seven thousand seven hundred
7 ninety-two.

8 Q So that we're absolutely clear, Allen, we
9 multiply the 297,792 hours, the time information, by the
10 average number of distant cable households viewing each
11 program, is 12,682, and that will come up with the sum
12 total of 3.8 billion Household Viewing Hours, correct?

13 A That's correct.

14 Q So, what you are saying here is that you take any
15 hour of programming -- Syndicated, Sports or what have you
16 -- Nielsen estimates that approximately 12,682 cable
17 households are viewing that program during an hour --

18 A On a distant signal.

19 Q On a distant signal basis, correct?

20 A That's correct.

21 Q Now, that 12,682 represents a rather small
22 fraction of the approximately 50 million households that
23 had access to a cable service in 1989, correct?

24 A Yes, 12,682 is a very small number relative to
25 50 million.

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1 MR. GARRETT: I'm sorry to digress on this,
2 Commissioner, but since you raised the point, so we're
3 comparing everything in a proper way here --

4 COMMISSIONER ARGETSINGER: Not at all.

5 BY MR. GARRETT:

6 Q We have approximately 50 million cable households
7 in 1989, correct?

8 A Correct.

9 Q We have approximately 300,000 cable households
10 that provided diaries that form the basis of Program
11 Suppliers' Exhibit 1, correct?

12 A That is correct.

13 Q And, on average, there are 12,682 cable
14 households that are tuned in to the programs in your study
15 during the average hour, correct?

16 A No, I don't like the way you've said that.

17 Q I don't either.

18 (Laughter.)

19 A The 12,682 cable households were viewing the
20 average non-network program via distant signal.

21 Q All right. I think that's a better way of saying
22 it, Allen. And then in order to get this 3.8 billion
23 number, which is the bottom line or the total number, you
24 take that 12,682 and multiply it by this time figure here,
25 correct?

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1 A That's correct.

2 MR. GARRETT: Commissioner Argetsinger, I'm not
3 sure if that answers the question you had raised about the
4 relationship between all these numbers, but I don't know
5 that I can go any further on that one.

6 COMMISSIONER ARGETSINGER: Thank you.

7 BY MR. GARRETT:

8 Q Allen, the average viewing number that Nielsen
9 provides you, of approximately 12,682 cable households,
10 that's a fairly small percentage of 50 million cable
11 households, correct?

12 A It's a small percentage of 50 million, yes. I
13 should add, of course, that of the number of hours that
14 we're dealing with, many of the programs had zero distant
15 signal viewing.

16 Q I understand, and when you average it all
17 together, you come up with this number of 12,682 -- some
18 had more and some had less, correct?

19 A That's correct.

20 Q The ones that were on the superstations, for
21 example, had considerably more than 12,682, correct?

22 A That's correct.

23 Q But on average, the vast bulk of the stations had
24 average viewing of something less than the 12,682, correct?

25 A Most of the viewing of that 3.8 billion relates

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1 to the large independent stations.

2 Q And if I go an look at this on a station-by-
3 station basis here in Exhibit MEK-8, I can determine, can
4 I not, the average viewing per station?

5 A Yes, you can. You could also do it better from
6 our Exhibit 1.

7 Q Better in what sense, Allen?

8 A More accurately, because Exhibit 1 will indicate
9 for each station, the number of quarterhours of non-network
10 programming transmitted during the measurement periods, and
11 the total Household Viewing Hours of each station.

12 Q Just so I understand, turn to Exhibit MEK-8,
13 Allen, would you please?

14 A I have it, Bob.

15 Q And let me ask you to turn, in particular, to
16 page one of the six-cycle data, do you see that?

17 A Yes, sir.

18 Q And it begins there with station KABC, do you see
19 that?

20 A Yes, sir. That's the first page of the six-
21 cycle. It comes after the heading Six-Cycle Summary.

22 Q If I look at the entry there for KABC, over in
23 the far, left column under Total Programming, do you see
24 that, Allen?

25 A Yes.

1 Q Do you see the number 3 there?

2 A Yes.

3 Q What does the number 3 represent?

4 A Three indicates that the average -- that during
5 an average quarterhour, that 3,000 households, rounded off
6 to 3,000, were viewing KABC programming as distant signal.

7 Q And that's or all of the programming on KABC,
8 correct?

9 A All of the non-network programming.

10 Q All of the non-network programming on KABC.

11 A Yes, sir.

12 Q And underneath KATU, we see the number 2, and
13 that represents approximately 2,000 cable households,
14 correct?

15 A Yes, sir.

16 Q And, Allen, if we went through all of the 147
17 stations in your sample here, we would find, would we not,
18 that something in excess of 80 percent of them have average
19 audiences of under 5,000 -- 5,000 or under?

20 A I believe that's a reasonable figure, yes.

21 Q Do you agree that those are fairly low-level
22 audiences?

23 A Yes -- well, they are low. I think that what you
24 have to take into account is that they are distant signal
25 viewing in cable households only, and some of the stations

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1 have varying amounts of distant availability, distant
2 signal access in cable households.

3 Q Let's go back one step, Allen. You indicated
4 earlier that there were 58,000 cable households that
5 received one-week diaries, correct -- February 1989?

6 A Correct.

7 Q What that means then is that approximately 16,000
8 cable households record information during any one week,
9 during the February 1989 sweep period, correct?

10 A Is that one-fourth of 58,000?

11 Q Approximately.

12 A Okay.

13 Q So, what Nielsen does is that one-quarter of the
14 sample views during week one, and then one-quarter of that
15 58,000 views during week two, and down the line, correct?

16 A That's correct.

17 Q So, the information that we derive, or that
18 Nielsen derives here, for a program during any one week,
19 is actually based upon about 16,000 cable households?

20 A That's probably true, yes.

21 Q Allen, let me just move now into discussing some
22 of the characteristics of some of the respondents that
23 comprise the 17,000, or 16,000 households per week here,
24 okay?

25 I had received a letter from your counsel dated

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1 August 22nd, which asked us to provide data on the extent
2 to which the cable systems sampled in the Bortz survey
3 carried ESPN, or other national, regional, or local sports
4 networks, did you see that letter?

5 A I remember having seen that letter.

6 Q So, you're familiar with the request that was
7 made of us?

8 A Yes, sir.

9 Q Allen, do you have any data on the extent to
10 which the 1989 NSI cable households received ESPN or other
11 national, regional, or local sports networks?

12 A I don't have precise data. It's my
13 understanding, Bob, if you asked the question, that
14 probably between 90 and 95 percent of all cable households
15 in 1989, had access to ESPN.

16 Q Do you know what percentage of the 1989 NSI cable
17 households had access to ESPN?

18 A Let me hear that again, please?

19 Q Do you know what percentage of the 1989 NSI cable
20 households had access to ESPN?

21 A I don't know that number, no.

22 Q Do you know what percentage of that number had
23 access to any other regional sports networks?

24 A I don't know that.

25 Q Do you have any data on the extent to which the

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1 1989 NSI cable households received Home Box Office?

2 A The answer is, I don't know. I do know the
3 penetration of HBO and the other major cable networks in
4 cable households during 1989, but I don't know what it is
5 in the Nielsen sample households.

6 Q Well, my question is whether or not the Nielsen
7 sample households were representative of the entire cable
8 universe in terms of their access to Home Box Office.

9 A I believe -- I have no reason to believe that the
10 penetration percentage for HBO nationally, would be
11 different than what it is in the sample households, if
12 those data were available to me.

13 Q But you have no data, Allen, that you can provide
14 the Tribunal, on the extent to which HBO was, in fact,
15 received by the 1989 NSI cable households?

16 A I do not.

17 Q Do you have any data on the extent to which the
18 1989 NSI cable households received any other nationally
19 distributed cable programming service such as USA Network,
20 American Movie Classics, Lifetime, Showtime, Turner Network
21 Television, Nickelodeon?

22 A We have data which indicates the distribution of
23 the major cable networks, pay and advertiser supported, in
24 all cable households in the United States, on a quarterly
25 basis during 1989.

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1 Q I understand that, Allen, but I'm asking my
2 question with specific reference to the 1989 NSI cable
3 households. Do you have any data on the other programming
4 that was received by the cable subscribers in that 1989 NSI
5 sample?

6 A I don't think I have such data.

7 Q I wouldn't have raised the question at all,
8 Allen, but for the fact that MPAA had raised it in the
9 context of the discovery in this proceeding.

10 Let me ask you, do you have any data on the
11 extent to which the 1989 NSI cable households had access
12 to major sports programming on a purely local basis?

13 A The data we have with respect to programming on
14 the sample stations, would apply whether it's local or
15 distant. So, we would have the complete schedules of the
16 non-network programming, including major sports, carried
17 by each of the sample stations.

18 Q That's not my question, Allen. Do you know what
19 percentage of the 1989 NSI cable households could receive,
20 say, major league baseball, non-network major league
21 baseball, only on a distant signal basis?

22 A Via broadcast transmission?

23 Q Broadcast transmission of major league baseball -
24 -

25 A We're now dealing with non-broadcast programming?

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1 Q That's correct.

2 A I know that only with respect to the 147
3 stations.

4 Q All right. What is the number then?

5 A I don't know what the number is. It can be
6 calculated. Would you ask me? I may be able to give you
7 that number.

8 Q Yes. I'd like to know, of the 1989 NSI cable
9 households, how many of them had access to major league
10 baseball programming, non-network, broadcast solely on a
11 distant signal basis?

12 A I can't answer that question.

13 Q Do you have data available that would allow you
14 to --

15 A No, I do not, because the only data that I have
16 available to me are the data relating to the sample
17 stations.

18 Q Let me ask you a somewhat different but related
19 question. Do you know how many of the 1989 NSI cable
20 households had access to PBS programming on a distant
21 signal basis only?

22 A I do not.

23 Q Do you know how many of the 1989 NSI cable
24 households had access to PBS programming on a local basis -
25 - and by local basis, Allen, I mean on an over-the-air

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1 television broadcast station being retransmitted in its
2 local market.

3 A You're talking about cable households?

4 Q Yes, I'm talking about the 1989 NSI cable
5 households.

6 A No, I don't have that data.

7 Q Now, Allen, did Nielsen make any effort, when it
8 designed its 1989 NSI sample, to ensure that all of the
9 cable households in that sample were representative of
10 cable television households nationally in terms of the
11 amount of cable channels available?

12 A I think that we have never discussed that the
13 sample that Nielsen drew for the NSI was a cable household
14 sample. They were drawing a sample of all the TV
15 households in the areas that were being measured, and that
16 included the proper proportion of cable households.

17 Q Let's go back, Allen. We've got 300,000 cable
18 households that comprise the 1989 NSI sample, correct --
19 approximately?

20 A Yes, sir.

21 Q Now, my question is -- we can look at these cable
22 households --

23 A Instead of comprising, I would prefer if you said
24 "included" in the 1989 NSI sample.

25 Q Well, these are actually the only ones that

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1 responded or provided usable diary information to Nielsen?

2 A Yes, but they were part of the larger sample that
3 was drawn by Nielsen for the 1989 NSI surveys.

4 Q And that larger sample would have been
5 approximately how many?

6 A A million or more.

7 Q When Nielsen draws this sample of 1 million cable
8 households, is any effort made --

9 A No, I didn't say they drew a sample of a million
10 cable households.

11 Q Let's go back a step, Allen. Let's just take a
12 particular market. Any market. Pick one, Allen. Which
13 one?

14 A Peoria.

15 Q Nielsen draws a sample for Peoria that will
16 consist of approximately how many households?

17 A Let's say a thousand.

18 Q Have you ever been to Peoria, Allen?

19 A Yes, I have, as a matter of fact, in 1944.

20 (Laughter.)

21 Q It hasn't changed, Allen.

22 (Laughter.)

23 COMMISSIONER ARGETSINGER: Did you play well
24 there?

25 THE WITNESS: It closed after one night.

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1 BY MR. GARRETT:

2 Q The Peoria NSI sample consists of 1,000 cable
3 households, we'll assume that, okay?

4 A Yes, assuming.

5 Q They actually get usable diaries from
6 approximately, we'll say, 430 --

7 A I think that possibly we're confusing one thing.
8 When I said a thousand diaries for Peoria, those were a
9 thousand usable diaries.

10 Q Well, let's assume a new set of facts here.

11 A I didn't understand, when you asked me the
12 question as to how many diaries, whether you were talking
13 about the usable diaries or the sample originally drawn.
14 These are the ones In-Tab that I would say for Peoria.

15 Q Let's assume that for the NSI sample in Peoria,
16 that Nielsen picks 1,000 cable households, okay, Allen?

17 A Okay, whatever, sure.

18 Q And let's assume further that it receives 430
19 usable diaries, can we assume that, Allen?

20 A I can assume anything you ask me to assume.

21 Q What the 430 represents to the 43 percent
22 response rate that we calculated earlier, do you understand
23 that?

24 A Yes.

25 Q And the basis of the information contained in

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1 those 430 diaries, Nielsen then estimates viewing to what,
2 Allen?

3 A I don't know where you're going because, if we're
4 dealing with Peoria and the distant signal viewing of a
5 station in Peoria, we probably wouldn't count any of those
6 430 diaries that you're talking about there.

7 Q Well, Allen, I didn't pick Peoria.

8 (Laughter.)

9 I wanted Missoula (phonetic) myself.

10 A No, no, no. The point is that the distant signal
11 viewing of Peoria stations would be measured outside of
12 Peoria, not in Peoria. And so the distant signal viewing
13 of a Peoria station would not be based upon 430 cable
14 household diaries, but on -- let's say, at one time, if you
15 took the six-cycle type of figure, which is 24 weeks, it
16 would be based upon over 10,000 diaries.

17 Q Allen, you guessed wrong. That was not where I
18 was going, but I appreciate that information.

19 The 1,000 cable households in the Peoria market,
20 let's just stick with that for a second. Now, when Nielsen
21 picks that sample of 1,000 cable households, is any effort
22 made to ensure that these 1,000 cable households are
23 representative of all the cable households in the Peoria
24 market in terms of the programming that they receive from
25 other nationally distributed cable programming services?

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1 A Nielsen would select these 1,000 on the basis
2 that they would be representative of all of the cable
3 households in Peoria.

4 Q In terms of what, though, Allen?

5 A In terms of all demographic characteristics, the
6 services which they receive, et cetera.

7 Q In terms of the services they receive?

8 A That's correct.

9 Q What do you mean by that?

10 A Whether they receive ESPN or HBO, WTBS, WGN, or
11 what have you, it would be representative of cable
12 households in Peoria.

13 Q You're telling me, Allen, that when Nielsen picks
14 this sample in a market such as Peoria, it attempts to
15 ensure that it gets the same number of cable households in
16 that sample who have access to WTBS, as had access to WTBS
17 throughout the Peoria market?

18 A The notion of sampling would say that that's what
19 their objective was, that the 1,000 sample households would
20 be representative of all aspects of the cable households
21 in the Peoria market.

22 Q Let me ask you to turn to page 15 of the
23 Reference Supplement, Allen, Sports Exhibit 13-X. Let me
24 direct your attention to the section there which refers to
25 Controls, do you see that, Allen?

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1 A Yes, sir.

2 Q Have you seen that section before?

3 A Yes, I have.

4 Q Can you tell us what it means?

5 A It indicates that Nielsen wants to make sure that
6 the extent to which the households that were in the sample,
7 were representative of all the households in the area from
8 which the sample was drawn.

9 Q On the basis of what characteristics?

10 A Household characteristics, cable, the presence
11 of non-adults and geography. These are the things which
12 are listed under (a).

13 Q Do they list there anything about the presence
14 of other programming services?

15 A They do not.

16 Q Is it, in fact, the case, Allen, that Nielsen
17 does attempt to control for such factors as race,
18 availability of cable, Hispanic populations, the presence
19 of non-adults, and geography, but does not attempt to
20 control for any other characteristics?

21 A That's what they say.

22 Q Allen, let's go back to the 300,000 cable
23 households that were in the 1989 NSI sample. Those 300,000
24 cable households, as I understand it, may consist of
25 subscribers to Form 1, Form 2, and Form 3 system, correct?

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1 A That's correct.

2 Q Do we know what percentage of the 1989 NSI cable
3 households were Form 1 subscribers?

4 A We do not know that.

5 Q What about Form 2?

6 A We do not know that.

7 Q What about Form 3?

8 A We do not know that.

9 Q Do you know whether the 1989 NSI cable households
10 were representative of all Form 3 cable subscribers in 1989
11 in terms of the availability of other nationally delivered
12 cable programming?

13 A As a user of NSI data --

14 Q I'm just asking the question now, do you know?

15 A I'm trying -- no, I'm just trying to say -- I
16 would say I do not know that, but I think I would make a
17 definite assumption that it would be representative of all
18 of these characteristics that I'm interested in.

19 Q And have you done any type of research to
20 determine whether or not that assumption is correct?

21 A I haven't done that research, it's been done
22 outside of MPAA. It's been done over years by industry
23 groups.

24 Q And who has done that, Allen?

25 A It's been done by ConTam, the Advertising

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1 Research Foundation, and other groups like that.

2 Q And they have determined that the 1989 NSI cable
3 households are, in fact, reflective of all Form 3 cable
4 households in terms of the availability of cable
5 programming?

6 A No, they have not done that in terms of 1989
7 cable households.

8 Q Have they done it by year?

9 A Over the years, they have examined it and they
10 have determined the representativeness of the Nielsen
11 Station Index sample.

12 Q Representative on what characteristics?

13 A On whatever characteristics they have sought to
14 measure.

15 Q Have they measured the availability of other
16 programming delivered via national basis? I wouldn't raise
17 these questions except that the MPAA has brought them up
18 already, in the context of our survey.

19 A I don't want to go into that, Bob. I think there
20 was a separate reason for MPAA's interest in that piece of
21 data, in connection with the Bortz sample. Its relevancy
22 to this point escapes me.

23 Q What is that, Allen?

24 A Pardon me?

25 MR. LANE: I'll object to the question.

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1 MR. GARRETT: The witness has raised that in
2 response to a question that I asked.

3 MR. LANE: And I'll object to it as attorney-
4 client privilege information.

5 MR. GARRETT: I have no basis to know whether or
6 not there is any kind of attorney-client privilege here.
7 The witness, however, has given me a response to a question
8 that I asked, referencing some other reason that's out
9 there, and I believe I'm entitled to know what that reason
10 is.

11 MR. LANE: And I believe that it's an attorney-
12 client privilege, and I would instruct the witness not to
13 answer the question.

14 COMMISSIONER ARGETSINGER: How is it an attorney-
15 client privilege, maybe you could tell us?

16 MR. LANE: Because the question Mr. Garrett is
17 asking is what use would we make of the information about
18 program service available for the Bortz study during our
19 cross-examination. I think that clearly is attorney-client
20 privilege information in discussions with Mr. Cooper, how
21 we developed our cross, or we will develop our cross.

22 MR. GARRETT: I didn't ask him what use was going
23 to be made of any of that information, Mr. Chairman, I
24 asked him --

25 MR. LANE: You asked what relevancy it had --

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1 MR. GARRETT: -- he referred to a particular
2 reason in response to a question I asked. I just asked him
3 what that reason is.

4 COMMISSIONER ARGETSINGER: Is your reason
5 something that was going to be -- I can imagine what you're
6 going to say here.

7 MR. GARRETT: Think carefully, Allen.

8 THE WITNESS: I can't answer your question,
9 Commissioner. It was discussed with our counsel in terms
10 of preparing the request for discovery.

11 MR. GARRETT: I'll withdraw the question.

12 COMMISSIONER ARGETSINGER: I think the record
13 will reflect that's the first objection we've had since the
14 hearings have started.

15 CHAIRMAN AGUERO: Yes, the first one.

16 MR. OLSON: Mr. Valenti.

17 COMMISSIONER ARGETSINGER: Oh, there was one.

18 MR. GARRETT: The record will reflect that's the
19 first time I've withdrawn a question in ten years.

20 (Laughter.)

21 BY MR. GARRETT:

22 Q Allen, I had earlier passed out copies of Sports
23 Exhibit 13-X -- I'm sorry -- 14-X, which is the Nielsen
24 diary. Do you have that in front of you?

25 A I do.

1 Q Let me ask you to turn to the fourth page of this
2 document. Do you have that in front of you?

3 A I don't know what you are referring to, fourth
4 page. Could you tell me what is the heading, or any part
5 of it?

6 Q It begins with How many members of your
7 household.

8 A I have that.

9 Q Allen, we've talked throughout the course of the
10 proceeding here, about demographic information, do you
11 recall?

12 A Yes, sir.

13 Q Is the information that begins there on page 4,
14 what we refer to as demographic information?

15 A Yes, sir.

16 Q Could you just state for the record what types
17 of demographic data are collected by Nielsen?

18 A On this page, they are collecting data with
19 respect to the gender and ages of the people in the
20 household, whether or not the household persons are of
21 Spanish or Hispanic origin or descent, their race in terms
22 of white, black, oriental or other, and the extent to which
23 the male head and the female head had completed education.

24 Q Are there any other demographic information
25 collected in the course of these diaries?

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1 A Other things that we would have that are
2 demographic in the usual survey sense, relate to the
3 possession of other equipment in the household.

4 CHAIRMAN AGUERO: Can anyone explain to me what
5 is the difference between Spanish and Hispanic? Can anyone
6 brief me here?

7 THE WITNESS: Well, I think that the difference
8 would be that Spanish may be people who are more closely
9 allied to Spain whereas Hispanic would include Latin
10 Americans generally, but I don't know, it's not my
11 questionnaire.

12 CHAIRMAN AGUERO: I wish somebody, some day,
13 sometime, would give me a full explanation, but I will have
14 to wait.

15 THE WITNESS: The other information that I wanted
16 to indicate in terms of demographics, the next to the last
17 page, for example, on this Exhibit 14-X, relates to video
18 cassette recorder ownership, and the employment on the part
19 of a member of the household with a broadcast station or
20 cable TV network, and -- I thought there was some other
21 material, too --

22 CHAIRMAN AGUERO: Mr. Garrett, would you proceed?

23 MR. GARRETT: I'm waiting for him to finish his
24 answer.

25 THE WITNESS: I'm not finished with the answer

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1 because I want to examine one of the diaries. (Perusing
2 document.) I think I would go to the page that deals with
3 whether or not they received cable service and video
4 cassette recorder -- this is on the third page of this
5 document. With that, I believe that's all of the
6 demographic material that's asked for, Bob.

7 BY MR. GARRETT:

8 Q All this information is collected by Nielsen from
9 the diaries, and entered into its computer base, I take it?

10 A Yes, sir.

11 Q And that information is then provided in the
12 course of its normal reports, correct?

13 A In the reports it makes on a market-by-market
14 basis, yes.

15 Q And what is that demographic information used
16 for?

17 A It's used primarily for programming and
18 advertising purposes.

19 Q Now, let me ask you to turn the point in the
20 diary where the diary respondents enter their viewing
21 information, do you see that?

22 A The grids, you're talking about?

23 Q Yes.

24 A Yes.

25 Q That's the sixth page in our exhibit. Can you

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1 just explain what the diary keeper is supposed to enter
2 here?

3 A I think the headings on top of the pages indicate
4 that on the day, on a Thursday, for example, which all of
5 the Nielsen Station Index surveys start on Thursday, and
6 they have a box where the diary keeper is to check whether
7 that particular TV set at which this diary is placed, was
8 off or on, on quarterhour intervals. If it was on, they
9 ask for the call sign of the channel, the name and the
10 number, and the name of the program and, in the boxes which
11 are headed 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, to indicate who
12 is -- which members of the household were viewing the
13 program, if any program was being viewed.

14 Q And I take it, Allen, the diary respondents are
15 supposed to provide this information for every quarterhour
16 during the course of the week they are participating in the
17 survey, correct?

18 A That's correct.

19 Q And they provide information on viewing whenever
20 they view a program more than five minutes during a
21 quarterhour, correct?

22 A That's correct.

23 Q And, again, that's done for every quarterhour
24 during the space of an entire week, correct?

25 A That's correct, from 6:00 a.m. to 2:00 a.m. in

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1 the morning.

2 Q Allen, is it your position that all the 1989 NSI
3 cable households who returned usable diaries, accurately
4 and completely recorded all of their viewing behavior in
5 these diaries?

6 A You've got three conditions there that are
7 difficult. One, all of the households, which I'm not sure
8 that all of the households recorded everything completely
9 and accurately.

10 Q Okay. What percentage of the 1989 NSI cable
11 households accurately recorded?

12 A I would assume, on the basis of the
13 investigations that have been made of the NSI methodology,
14 that the great majority of those usable diaries were
15 complete and accurate.

16 Q What do you mean by great majority, Allen? Are
17 you talking about more than 60 percent?

18 A Well, I'm just trying -- my impression would be
19 that we would probably be dealing with in excess of 75
20 percent.

21 Q And what studies are you referring to?

22 A I made reference before to a variety of studies,
23 and we probably will be dealing in more detail with them.
24 Many of those are described in some detail in a book
25 written by my boss for 20 years at NBC, Hugh Malcolm

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1 Beville, Jr. His book on Audience Ratings is considered
2 to be the preeminent volume in that.

3 Q Are you referring to this book, Allen, called
4 Audience Ratings, Radio, Television, Cable, Revised Student
5 Edition?

6 A I am, indeed. What edition did you say?

7 Q This is the Revised Student Edition. Which one
8 did you read, Allen?

9 A I was speaking about the hard-bound copy.

10 Q Well, I consider myself just a student.

11 COMMISSIONER ARGETSINGER: Was that in the
12 original Greek?

13 (Laughter.)

14 THE WITNESS: Which all of us at NBC helped
15 write.

16 BY MR. GARRETT:

17 Q Now, are there any other studies that you're
18 referring to, other than the ones which may have been
19 mentioned in Mr. Beville's book?

20 A Those are the only ones that I was referring to.

21 Q Just so the record is clear on this, Allen, it's
22 your testimony that something in excess of 75 percent of
23 the 1989 NSI cable households accurately and completely
24 recorded their viewing behavior in their diaries?

25 A That's my opinion.

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1 Q Does Nielsen have an opinion on this issue?

2 A I have not ascertained this from Nielsen.

3 Q Do you know whether Nielsen has an opinion on
4 this issue?

5 A They may have one, I haven't ascertained it.

6 Q Let's focus for a moment on that percentage which
7 did not accurately and completely report their viewing
8 behavior in their diaries, Allen, all right? What are the
9 nature of the different types of errors that might have
10 been made by that percentage of respondents?

11 A I assume that they may not have entered all of
12 their viewing, may not have indicated precisely the
13 identity of all of the persons who viewed a particular
14 program, and that, I assume, would be the bulk of the
15 errors that would be made.

16 Q Are there any who may have incorrectly entered
17 viewing?

18 A I think that there would be relatively few cases,
19 mainly because of the extent to which Nielsen, as I've
20 testified earlier today, where viewing does not coincide
21 with channel number or time, that Nielsen would seek to
22 correct that before the diary is tabulated.

23 Q Well, let's take it one step at a time. We'll
24 get to that, Allen, but right now I'm simply focusing on,
25 as Mr. Beville does in his book, by the way, on those

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1 households and what they enter into their diaries, and
2 whether or not that is complete and accurate, okay?

3 A (No response.)

4 Q All right?

5 A Yes, I hear you.

6 Q I'm sorry?

7 A I was going to say that in line of your question,
8 that I would agree with you that it is quite possible that
9 some of the entries made in some of the diaries may be
10 erroneous, that they relate to errors made by the diary
11 keeper, for example, with respect to viewing of a
12 television set -- of a second television set, where the
13 diary keeper was not present, and the other person who was
14 supposed to maintain the diary may have missed it.

15 Q Now, Allen, earlier, when we were looking at the
16 NSI Reference Supplement dealing with meters, there was a
17 reference on page 75 to response error, do you have that
18 in front of you?

19 A I do now.

20 Q They refer there to response errors dealing with
21 recall, do you see that?

22 A Yes.

23 Q What is your understanding as to what is meant
24 by response error involving recall?

25 A I think what they are referring to there is that

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1 if the diary keeper does not make the entry at
2 approximately the time of viewing, there may be an error.

3 Q When do diary keepers make the entries?

4 A I don't know. They are requested to make them
5 concurrent with the viewing.

6 Q But they all don't do that, do they?

7 A They may not.

8 Q Do we have any information on the extent to which
9 they make these entries at some later point than when they
10 actually view the program?

11 A I don't have any data, no.

12 Q But there are some who may actually make these
13 entries days after they say they viewed a particular
14 program, correct?

15 A It is entirely possible.

16 Q And we just don't have any data on the extent to
17 which that happens, correct?

18 A I don't have any data.

19 Q Does Nielsen have any data on that?

20 A I don't think Nielsen has any data.

21 Q They also refer to response errors dealing with
22 reply from person, do you see that, Allen?

23 A Yes.

24 Q What is your understanding of what is meant by
25 that type of error?

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1 A That, I believe, is the question of returning of
2 diaries.

3 Q Allen, we can agree, can we not, that some number
4 of entries in these diaries returned by 1989 NSI cable
5 households that were considered usable by Nielsen,
6 contained errors about viewing?

7 A I believe that that's true of any research
8 survey.

9 Q But we don't have any precise data on the extent
10 to which the entries in the 1989 NSI cable diaries may have
11 been erroneous, do we?

12 A Not for 1989.

13 Q Do we have it for some other year?

14 A Yes, we have the studies which have been made by
15 very responsible organizations over the years, which are
16 reported and summarized in the book by Mal Beville that
17 you have shown us, displayed, that deal with all of the
18 questions relating to the accuracy and precision of the NSI
19 diary methodology.

20 Q Do you believe, Allen, that any of those errors
21 affect the bottom line percentages as calculated in your
22 1989 Viewing Study?

23 A I don't think they would have any impact upon the
24 distribution by category, of the Household Viewing Hours.

25 Q Is it your belief, Allen, that the errors that

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1 do exist in recording of diary information, do not
2 disadvantage the Joint Sports Claimants more than the
3 Program Suppliers category?

4 A I think it depends upon the extent to which a
5 program is considered important to the viewer, valuable to
6 the viewer. If a sports program is not valuable, then it
7 might not be entered but, if the viewer considers viewing
8 of the sports program important, then it would be entered.

9 Q I see. Nielsen instructs its data keepers to
10 enter viewing only to important programming?

11 A No. I think that if a program was significant
12 to me as a viewer, that I'd be more likely to enter it than
13 a program of just mild, passing interest to me.

14 Q Allen, my question goes to, again, these errors
15 that we talked about a moment ago, that some number exists,
16 all right? Do those errors that exist in the responses
17 given by the 1989 NSI cable households, work to the
18 disadvantage of Sports more than the Program Suppliers
19 category?

20 A My answer is no. In my opinion, Sports would not
21 be disadvantaged -- would not be disproportionately
22 disadvantaged by any of those errors that we've talked
23 about.

24 Q Allen, after Nielsen receives the diaries from
25 the cable households in its sample, it then enters the

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1 information in those diaries into its computer database,
2 correct?

3 A Yes, sir.

4 Q It first makes a determination, does it not, as
5 to which diaries are usable and which ones are not usable,
6 correct?

7 A Each diary is examined, and that determination
8 is made.

9 Q Do you know of the percentage of diaries which
10 are returned to Nielsen, how many are considered to be
11 usable?

12 A We have -- that figure has been cited in my
13 testimony. I thought the number was approximately at the
14 50 percent level. Are we talking about the usable diaries?

15 Q Yes.

16 A The ones that are usable. What is your question
17 now?

18 Q You said earlier in your testimony that
19 approximately 43 percent of the diaries -- I'm sorry -- 43
20 percent of the households return diaries that are
21 considered usable, correct?

22 A That's correct.

23 Q And that is for February 1989?

24 A That's correct.

25 Q Now, I assume that some portion of that remaining

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1 57 percent just simply does not return the diaries,
2 correct?

3 A That's a number that Nielsen does report, and
4 those are called In-Tab households, and that number is
5 generally, if I recall correctly from previous viewing of
6 Nielsen data, is very close to the number of usable
7 diaries.

8 Q So, the number of diaries that Nielsen rejects -
9 - I'm sorry -- I'm trying to get a handle on the number of
10 diaries that he rejects.

11 A We're now talking about the difference in
12 terminology between what they call In-Tab diaries and
13 usable diaries. In-Tab are the ones that are actually, as
14 you have defined it, placed into the computer,
15 computerized, and become part of the database. And it's
16 my impression that the In-Tab diaries are approximately the
17 very large proportion of all usable diaries.

18 Q Let's go back, Allen. 240,000 cable households
19 are sent a diary, correct?

20 A Yes.

21 Q One hundred two thousand of those cable
22 households are considered to be usable, correct?

23 A Right.

24 Q Now, how many In-Tab -- are you saying that the
25 number will be close to 102,000?

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1 A Yes, in my opinion, it probably would be.

2 Q So that, in fact, very few diaries that are
3 returned to Nielsen are considered non-usable, correct?

4 A That's correct.

5 Q You don't have a precise number?

6 A No, sir.

7 Q But you believe that number is very close to the
8 102,000?

9 A Yes, sir. I think that's what usable means.

10 Q Just to make it clear for the record, Allen, the
11 term "In-Tab" is actually a different term than "usable",
12 correct?

13 A I think that what I'm referring to is that in the
14 Nielsen reports, they don't refer, for an individual
15 station, to the number of usable diaries on which the
16 report was based, but the number of diaries In-Tab on which
17 that data were based.

18 Q The bottom line, Allen, is that Nielsen, at least
19 in 1989, used pretty much all of the diaries that were
20 returned to them, correct?

21 A I make that assumption.

22 Q When they get the diaries, they review them,
23 correct?

24 A Yes, sir.

25 Q And what exactly do they look at, Allen, during

1 the course of this review?

2 A I think they consider the extent to which the
3 diary -- the entries in the diary are in accordance with
4 their instructions. They also, more specifically, as I've
5 already testified, look for discrepancies between entries
6 and their own information from other sources concerning
7 which programs were available over which channels in that
8 market during the week that the diary was maintained.

9 COMMISSIONER DAUB: Plus incomplete information?

10 THE WITNESS: Yes. I think that, for example,
11 there would be some days for which there are no entries,
12 but I think that that would not affect the use of that
13 diary.

14 BY MR. GARRETT:

15 Q How would Nielsen know if someone failed to enter
16 the viewing of a particular program?

17 A They wouldn't know, but they would know that
18 there is no entry there.

19 Q That no entry may mean that either no one watched
20 the program, or they don't want to record the watching?

21 A Or that they neglected to enter it, right.

22 Q When Nielsen sees a blank, all that they know is
23 that no one has recorded any viewing to that program in
24 that particular quarterhour, correct?

25 A Except if the party has checked the "TV Not On"

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1 column on the diary grid. If that has been entered as the
2 TV set was not on, was off, then they wouldn't expect to
3 see a program entry, but I don't know the extent to which
4 those are entered or not entered.

5 Q If they see a check mark that says the TV set was
6 on during the quarterhour, what do they do then -- and
7 there is no program entry?

8 A Well, I would imagine that if they saw that the
9 TV set was on and there was no program entered, they'd call
10 and try to find out what program was being watched.

11 Q You think in those cases Nielsen actually calls
12 the diary respondent?

13 A Yes, I do.

14 Q And if they find a confusing information on the
15 diary, they also call the diary respondent to clear up the
16 confusion?

17 A I think that that's what I read in the
18 methodology description.

19 Q In the NSI Reference Supplement?

20 A Yes, sir.

21 Q Can you point to me where in the NSI Reference
22 Supplement that is?

23 A I don't know if it is contained in the part that
24 you have. If you have yours, I may be able to find it.

25 MR. GARRETT: Let me hand you a complete copy of

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1 the NSI Reference Supplement.

2 THE WITNESS: Thank you. (Perusing document.)

3 CHAIRMAN AGUERO: Let's take a five-minute
4 recess.

5 (Whereupon, a short recess was taken.)

6 (Whereupon, at 12:45 p.m., the luncheon recess
7 was taken.)

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AFTERNOON SESSION

(2:05 p.m.)

CHAIRMAN AGUERO: I have a question, Mr. Cooper.

THE WITNESS: Yes, sir.

CHAIRMAN AGUERO: The male head of the house, at 8:00 o'clock nighttime on Thursday, is watching a baseball game. Around 8:14, the wife came where he was and said, "I don't want to see baseball, I want to see MacGyver", he says, "Fine". He switches to MacGyver. Around 8:27, she smells something. Something is burning in the kitchen and she decides to go to the kitchen. Automatically, the man switches to baseball.

MR. DiMONA: You've been watching my house.

(Laughter.)

CHAIRMAN AGUERO: How does that person, the woman or the man, have to fill out the questionnaire here? They say, "Well, around 8:00 o'clock, I watched on, let's say, ESPN, channel number 27, baseball between Atlanta Braves and Pittsburgh Pirates, then MacGyver" -- how do you switch when that quarterhour is not filled with MacGyver, it is filled between baseball and MacGyver, how do you do it?

THE WITNESS: Presumably, the program which is viewed during the majority of that 15-minute period would be the one that's entered.

CHAIRMAN AGUERO: Okay, MacGyver, but the man,

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1 when the half-hour crosses, he is still watching the
2 baseball, or the other way around.

3 THE WITNESS: But during the last two or three
4 minutes, according to your example --

5 CHAIRMAN AGUERO: In that time between 8:00 and
6 8:30, he is still watching baseball, and then the wife
7 comes in around 8:35 and says, "I want to see MacGyver
8 again", then he's going to have to switch again. How do
9 you work --

10 THE WITNESS: There would be only one entry per
11 quarterhour, and it would be --

12 CHAIRMAN AGUERO: MacGyver or the baseball?

13 THE WITNESS: That's right. It would be a
14 decision on the part of the household, which one they would
15 put in. Actually, what I would do, I would send him to the
16 den to watch baseball there, while I watched MacGyver in
17 the living room.

18 CHAIRMAN AGUERO: Okay. Thank you very much,
19 anyway. It's very convenient for me because --

20 THE WITNESS: It is a problem.

21 CHAIRMAN AGUERO: It's a problem, yes. And then
22 decision is made by Nielsen, no?

23 THE WITNESS: Well, the decision is made only by
24 Nielsen in terms of what is recorded, and they would not
25 record both programs in the same quarterhour.

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1 CHAIRMAN AGUERO: Okay. Thank you very much.
2 That finishes my questions.

3 MR. GARRETT: Thank you, Mr. Chairman.

4 BY MR. GARRETT:

5 Q Allen, before the lunch break, you were going to
6 check the NSI Reference Supplement to find those passages
7 that refer to Nielsen calling back diary households. Did
8 you find that passage?

9 A Yes, on page 19 of your Exhibit 13-X, there is
10 a reference in the first paragraph to missing data, and the
11 example that they have given, "For example, if the
12 cooperator fails to note the gender for a given person,
13 such information can often be logically completed by
14 reference to the name. When age information is not
15 available in the diary, Nielsen makes an attempt to contact
16 the household by telephone to obtain the data".

17 I don't know, Bob, if this is restricted to age
18 and sex. It is my recollection, from having read these
19 reports, the methodology reports, that it extended beyond
20 age and sex, but they do make telephone calls to the
21 householders with respect to missing data or other types
22 of problems like that.

23 Q And it's your belief, Allen, that they make such
24 phone calls to gather information about the programming
25 that was actually viewed during the sweep period?

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1 A If there is a conflict, that they would make a
2 telephone call to try to ascertain what the correct listing
3 should be. That is my impression, Bob.

4 Q Allen, Nielsen receives during the sweep periods,
5 something on the magnitude of, say, 40-50,000 diaries per
6 week?

7 A Yes, sir.

8 Q Do you know what percentage of those diaries that
9 are returned to Nielsen on a weekly basis, might result in
10 telephone calls back to the diary keepers?

11 A I don't have such information. I don't know, Bob.

12 Q Do you have any information, Allen, as to when
13 such phone calls might be placed subsequent to Nielsen's
14 receiving the diaries?

15 A I would assume -- I don't have information. I
16 would assume only that they would be made shortly after the
17 diary is received.

18 Q And when does Nielsen typically receive those
19 diaries?

20 A They receive it three or four days after the end
21 of the week, the diary week.

22 Q How much time would typically elapse then,
23 between the date on which a program was supposed to have
24 been watched and the date on which Nielsen contacted the
25 diary household?

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1 A Probably, on average, six or seven days.

2 Q If the program related to the first day of the
3 sweep week, approximately how much time might elapse
4 between the time that Nielsen contacted --

5 A I'm just making an assumption, it could be as
6 much as ten days, or possibly longer.

7 Q Or possibly longer?

8 A Yes.

9 Q Does Nielsen ever use its own judgment to
10 reconcile conflicting data in the diaries, without
11 contacting the household?

12 A I think the answer to that is yes. They have
13 information from the cable systems and from the programming
14 services and from the stations, as to what was actually
15 broadcast during every 15-minute interval.

16 Q Now, at page 20 of the NSI Reference Supplement,
17 Allen, you will see there in the second paragraph a
18 reference to Nielsen editing cable diaries, do you see
19 that?

20 A That's the third paragraph, right?

21 Q Mine is the second paragraph, third line.

22 A Okay. Yes, I see that now.

23 Q Do you have any idea what that editing process
24 consists of?

25 A The most I can tell you is what it says there,

1 clarifying entries where the householder has elected to use
2 cable channel numbers rather than air channel numbers.

3 Q Do you know how often they engage in such editing
4 processes?

5 A I don't know.

6 Q Allen, let me move on to another area here.
7 After Nielsen collects all of the diary information, it
8 provides in aggregate form, information to the industry,
9 correct?

10 A Well, the first thing that it issues are Viewers
11 in Profile reports for each market.

12 Q That was a badly worded question. There are a
13 number of different pieces of data that Nielsen provides
14 to the industry, correct?

15 A Yes, that's correct.

16 Q And we've talked a lot about demographic
17 information, right?

18 A Yes.

19 Q That's one piece of information that Nielsen
20 provides to the industry, correct?

21 A Yes.

22 Q Now, another piece of information are the Cume
23 ratings, correct?

24 A Yes.

25 Q And Cume refers to the number of unduplicated

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1 households that receive particular programs, group of
2 programs, correct?

3 A The Cume rating is the rating for an individual
4 program which may have been broadcast more than one time
5 during a week, during a diary week.

6 Q And it refers to the number of different
7 households that actually viewed that program, correct?

8 A Yes, it would, that's correct.

9 Q Nielsen also provides information on Shares,
10 correct?

11 A Yes.

12 Q And a Share represents the number of households
13 that tuned into a particular program expressed as a
14 percentage of the total number of households in the market
15 under consideration?

16 A No.

17 Q I'm sorry -- the total number of households using
18 television in the market.

19 A At the time the program is broadcast.

20 Q But Shares are percent numbers, correct?

21 A Yes. So are the ratings.

22 Q I'll get to that. But it reflects households
23 tuned into programs over total households using --

24 A At the time of broadcast.

25 Q Okay. And the ratings are also a percentage of

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1 Share, correct?

2 A Yes.

3 Q And they refer to the, again, number of TV
4 households tuned into a program, divided by --

5 A The total number of households in the particular
6 universe being measured.

7 Q Nielsen also provides information as to the total
8 number of households that watched a particular program
9 during an average quarterhour, correct?

10 A Yes.

11 Q And that's an absolute number, correct?

12 A Well, it's absolute except that it's generally
13 rounded to the nearest thousand.

14 Q For example, Nielsen would provide information
15 indicating that 360,000 households watched a particular
16 program during a quarterhour?

17 A Right, they would show it as 360, but all the
18 figures would be -- three zeroes would be added to whatever
19 figures Nielsen showed.

20 Q And what term is used to refer to that number?

21 A The total number of households that viewed this?

22 Q Yes.

23 A That's the total station audience.

24 Q Or TSA?

25 A Yes.

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1 Q Now, the information that is contained in Program
2 Suppliers' Exhibit 1 refers to Household Viewing Hours,
3 correct?

4 A Yes.

5 Q All of our Shares for the different program
6 claimant groups are expressed as percentages of our
7 Household Viewing Hours, correct?

8 A In terms of Household Viewing Hours, yes.

9 Q Now, this Household Viewing Hour concept
10 certainly has nothing to do with demographics, correct?

11 A No.

12 Q It also has nothing to do with Cume?

13 A No.

14 Q It also is not a Share, is it?

15 A No.

16 Q And it's not a rating?

17 A Yes, it is a -- it's based upon a rating.

18 Q It's based upon the raw data that goes into
19 calculating ratings, correct?

20 A That's correct.

21 Q But it's not a rating itself, is it?

22 A No, it is not a rating itself.

23 Q And it is also not a total station audience
24 number, is it?

25 A It is not the usual total station audience

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1 number, it is a special figure for the distant signal
2 viewing of that station.

3 Q It's a special figure that Nielsen provides you?

4 A Based upon their normal methods of calculating
5 ratings.

6 Q Does Nielsen provide the numbers that it provides
7 to you, to anyone else?

8 A Pardon me?

9 Q Does Nielsen provide --

10 A No, this is a proprietary study custom-made for
11 us.

12 Q Now, Allen, let me ask you to turn to the
13 Reference Supplement, pages 83 and following.

14 A Yes, sir.

15 Q Can you tell us what is contained on those pages?

16 A Pages 83 to 86 list some 11 reports that are
17 prepared by Nielsen from the NSI diaries.

18 Q Are you familiar with these reports?

19 A I am familiar with several of them, not all of
20 them.

21 Q Which ones are you familiar with?

22 A Well, if we could start at the back, I already
23 mentioned my use of the of the County Coverage Study. I
24 am not familiar with the Weekly Preview Reports. I am
25 somewhat familiar with the DMA Planners' Guide. I am

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1 familiar with the DMA Total Activity Report. No, I don't
2 know if I am. No, I don't know the DMA Total Activity
3 Report. Of course, we know about the ROSP, the Report on
4 Syndicated Programs under (7). I am familiar with (6),
5 which is the DMA Audience Allocation Analysis. I'm not
6 familiar with number (5), which seems to be a separate
7 report. I've seen data like that in the VIP Report
8 Summary. I have seen, but a long time ago, the number (4)
9 study. I'm not familiar with study number (3), which is
10 Network Programs by DMA. I am very much familiar with
11 number (2), the NSI Market Daypart Summaries. And I am
12 familiar with number (1), the Viewers in Profile Reference
13 Volumes.

14 Q Do any of the reports with which you are
15 familiar, Allen, provide Household Viewing Hour numbers for
16 particular programs?

17 A They are calculable from the data which are
18 presented in these reports.

19 Q Do any of these reports provide information
20 directed specifically to Household Viewing Hours?

21 A My answer, Bob, is that no category in these
22 reports is called Household Viewing Hours, but the data to
23 calculate Household Viewing Hours, if someone wishes to do
24 so, and they may do so, is contained in the reports.

25 Q Now, I can go to one of these -- let's just focus

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1 on the first report, the Viewers in Profile that you've
2 referred to earlier -- and I can go to that and I can get
3 information on ratings for particular programs, correct?

4 A Yes.

5 Q And I can get information on Shares for
6 particular programs, correct?

7 A Yes.

8 Q And I can get TSA numbers, correct?

9 A Yes.

10 Q But I can't get Household Viewing Hours unless
11 I do some separate computations on my own, correct?

12 A That's correct.

13 Q There is no column or entry in the VIP report,
14 for example, which is entitled Household Viewing Hours?

15 A That's correct.

16 Q That is not something that Nielsen provides as
17 a standard matter, to its customers, correct?

18 A That is correct.

19 Q It is something that has been calculated
20 specifically for purposes of these proceedings, is that not
21 correct?

22 A It's done for us on a program-by-program basis.
23 Nielsen does provide Household Viewing Hour statistics on
24 a regular basis in their reports and supplementary reports.

25 Q Which supplementary reports do they provide

1 Household Viewing Hour statistics?

2 A I have seen over and over again, reports listing
3 the amount of viewing per week and per week, per household,
4 on a national basis, that's for sure, and possibly on a
5 regional basis, too, but on a national basis, yes. They
6 report the number of hours of viewing per household,
7 generally, per day or per week.

8 Q Per program?

9 A Not per program. I made that clear, that they
10 do not do it per program.

11 Q The information we have in the Program Suppliers'
12 Exhibit 1 is done on a program-by-program basis?

13 A Yes, indeed, and that's why it is a custom
14 report.

15 Q And that is not the kind of information that
16 Nielsen routinely provides to its NSI customers?

17 A Yes, sir, it is not.

18 Q Allen, in your testimony last Friday, you made
19 reference in response to a question from Commissioner
20 Argetsinger, to something called the Electronic Media
21 Rating Council, do you recall that?

22 A Yes, I do.

23 Q Can you tell us what the Electronic Media Rating
24 Council is?

25 A The Electronic Media Rating Council is a

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1 relatively new name for an organization that's been in
2 operation for many years. It is a service that audits the
3 work done by the rating services, and then submits a report
4 to the Electronic Media Rating Council, which is its
5 present name, with respect to the procedures used by each
6 of the rating services in developing its data.

7 Q And the Electronic Media Rating Council has
8 certified NSI, has it not?

9 A Yes, it has.

10 Q Has it certified the particular study that
11 Nielsen has done for you in this proceeding?

12 A It has not.

13 Q Has anyone ever sought certification from EMRC
14 for that particular study?

15 A No one ever has.

16 Q And that's true with particular respect to the
17 1989 MPAA Study?

18 A It includes 1989.

19 Q Now, let me ask you to turn to page 4 of your
20 testimony.

21 A I have it.

22 Q You state in the second full paragraph, five
23 lines from the bottom, that "These data are relied upon and
24 used extensively by broadcasters, cable system operators,
25 and cable network programmers, for scheduling and marketing

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1 their services", do you see that?

2 A Yes, sir.

3 Q When you say these data, to what data are you
4 referring?

5 A The NSI Nielsen Station Index data, particularly
6 the basic NSI service.

7 Q Does that include the data for the four sweep
8 periods mentioned immediately before that sentence --
9 February, May, July and November?

10 A It certainly includes that, yes.

11 Q Does it also include the six-cycle data to which
12 reference was made earlier in this proceeding?

13 A It certainly includes that, too.

14 Q So, it's your testimony that cable operators rely
15 extensively upon NSI six-cycle data for the purposes stated
16 there?

17 A It's my understanding that that is true.

18 Q And what is the basis for that understanding?

19 A The basis of my understanding is the fact that
20 there is no question with respect to broadcasters --

21 Q But my question is confined solely to cable
22 operators at this point, Allen.

23 A As far as cable operators are concerned, the
24 cable operators -- the services are subscribed to, offered
25 to cable operators, by Nielsen, who provides a large number

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1 of services particularly for cable operators, and for
2 broadcasters involved with cable .

3 Q I had requested in discovery, the basis of the
4 statement made, and in a letter dated August 26, 1991 from
5 your counsel, I received the response "Mr. Cooper relied
6 upon", for the statement we just mentioned, "various trade
7 publications, and we will attempt to provide samples of
8 such documents. He also relied upon advice from Nielsen.
9 We have requested Nielsen to furnish such material and will
10 make it available upon receipt".

11 Is that an accurate statement of the basis on
12 which you made this particular statement?

13 A This is an accurate statement, and I believe --
14 I would assume that counsel has furnished you with the
15 materials provided to us by Nielsen.

16 Q I have never received the trade publications to
17 which reference is made, Allen, but I did receive a single
18 letter from Nielsen to you, dated August 26, 1991, which
19 I would like to have marked as Sports Exhibit 15-X.

20 (Whereupon, the document was
21 marked for identification as
22 Exhibit No. JCS 15-X)

23 Allen, have you seen the document that's
24 identified here as Sports Exhibit 15-X?

25 A Yes, I have.

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1 Q And that is, in fact, the letter from Nielsen to
2 you, dated August 26, 1991, correct?

3 A That's correct.

4 Q And attached to that letter are certain, I would
5 call, promotional materials that Nielsen provides to the
6 cable industry, correct?

7 A They are descriptions of various services Nielsen
8 provides the cable industry.

9 Q Aside from the trade publications to which
10 reference is made in your counsel's letter, was there
11 anything else that Nielsen has provided you that supports
12 your statement that the NSI data is relied upon by the
13 cable operators?

14 A That Nielsen supplied to me? The answer is
15 negative. This is all that Nielsen has supplied to me to-
16 date.

17 Q Let me ask you, Allen, to turn to the second page
18 of Sports Exhibit 14-X, which is where the description of
19 services begins -- I'm sorry -- 15-X.

20 A What page did you say, Bob?

21 Q I'm sorry, it's the second page, Allen, it's
22 where the description begins of the services, the actual
23 document provided by Nielsen. Do you have that, Allen?

24 A I do.

25 Q Now, I see up at the top that they have made

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1 reference to Diary Based Ratings, do you see that?

2 A Yes, I do.

3 Q Are they referring there to the NSI diaries?

4 A Yes, they are.

5 Q They further state, going down three lines, that
6 they will make information available based upon diaries
7 collected in February, May, July and November, do you see
8 that?

9 A That's correct.

10 Q Now, there is no reference there to the other two
11 cycles, correct?

12 A No, there is no reference there.

13 Q Is there some other document someplace, where
14 they actually refer to the months of -- the January and
15 October cycles?

16 A You mean in this package? Within this group of -
17 -

18 Q Yes, within this group.

19 A I don't know.

20 Q Do you know whether it's referred to in some
21 other publication, other than this one here, that Nielsen
22 puts out?

23 A You mean with respect to the number of
24 measurement periods?

25 Q No, with respect to the availability for cable

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1 system use of NSI diary information.

2 A It seems to me that whatever Nielsen has in terms
3 of diary information for cable systems markets, that it
4 would be available to them.

5 Q Well, at least we know in the document they
6 provided you, there is no specific reference to the --

7 A No, because the only ones, the four that are
8 specified, are the four national cycles, which cover all
9 markets in the country. And if I were -- and it would be
10 difficult and complicated for them to indicate which
11 markets were not available.

12 Q Allen, going down two lines below the reference
13 to the four cycles, they refer to custom diary based
14 daypart analyses, do you see that?

15 A Yes, I do.

16 Q What are custom diary based daypart analyses?

17 A You just added another word there.

18 Q I'm sorry. The question is, what are custom
19 diary based daypart analyses?

20 A It's the diary based that's bothering me.

21 MR. LANE: He's up here. (Indicating.)

22 THE WITNESS: Oh, you're up here -- I'm sorry --
23 - I was skipping down to the first bullet point there.
24 Okay. I see that now.

25 BY MR. GARRETT:

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1 Q Do you know to what Nielsen is referring there
2 when it says "custom diary based daypart analyses"?

3 A I assume special studies, just like the ones they
4 did for us.

5 Q And when they refer to daypart analyses, to what
6 does that refer?

7 A The dayparts are the day segmented into various
8 units, like 4:00 p.m. to 6:00 p.m., and 6:00 p.m. to 7:30
9 p.m., those are called dayparts, so provide the data on a
10 daypart basis.

11 Q Is it fair to assume that cable operators may
12 have an interest in such daypart analyses?

13 A Yes.

14 Q And that's why Nielsen attempts to promote that
15 service, correct?

16 A Of course.

17 Q Is there anything that you have offered us in
18 your study that shows daypart analyses similar to those
19 that Nielsen markets to the cable industry?

20 A We have not attempted to provide data for cable
21 system operators.

22 Q Well, the question had to do with the daypart
23 analyses. You have not attempted to provide any such
24 information like that either, have you?

25 A No, we have not.

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1 Q Going further down to the first bullet where you
2 were a minute ago, Custom Daypart Analyses, there's a
3 reference there made to demographic daypart ratings, do you
4 see that?

5 A Yes.

6 Q And, again, that, we can presume, is something
7 that may be of interest to cable operators?

8 A Yes.

9 Q And that's why it's here in the marketing
10 material that Nielsen has put out, correct?

11 A That's true.

12 Q And your study does not provide any demographic
13 daypart ratings information, does it?

14 A No, it does not.

15 Q Allen, turn to the next page entitled Cable On
16 Line Data Exchange, or CODE, do you see that?

17 A Yes.

18 Q None of the information contained in this Cable
19 On Line Data Exchange is based upon NSI diaries, is it?

20 A It's not based upon any Nielsen ratings service.

21 Q Do you know what this Cable On Line Data Exchange
22 is?

23 A Yes, it's a source of information with respect
24 to the composition, ownership, signals carried by a number
25 of subscribers, and rates, and other types of information

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1 related to cable systems.

2 Q Incidentally, Allen, this information that we
3 got, or that you received from Nielsen, it does not have
4 a date on it, does it?

5 A It does not. I assume it's the most current
6 data.

7 Q Do you know whether this material was made
8 available in 1989, to the cable industry?

9 A I don't know that. I know that CODE has been
10 offered since at least prior to 1989 because I've been
11 talking to Nielsen about those data.

12 Q But the diary based ratings referred to on the
13 first page of the Nielsen materials here, were those made
14 available to cable operators in 1989?

15 A I don't know that to be a fact, it could have
16 been. There was no reason why it shouldn't have been.

17 Q Do you know how many cable operators actually
18 subscribed to get these ratings?

19 A No, I don't know. That's proprietary information
20 of Nielsen's.

21 Q You have no information on the number of
22 subscribers --

23 A No, I do not.

24 Q I'm sorry, let me just finish my question, Allen.
25 You have no information on the number of cable system

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1 operators who actually subscribed to these diary based
2 rating services that Nielsen offered in 1989, correct?

3 A I do not, no.

4 Q Let me ask you to turn to the third -- actually,
5 the fourth page of the handout, which is also the third
6 page of the Nielsen materials, entitled Cable/Conquest, do
7 you see that?

8 A Yes, I do.

9 Q Again, that's nothing that is based upon the NSI
10 diaries, is it?

11 A I don't know. The only hesitation I would have
12 would be the last two words in the last bullet, where they
13 talk about operational issues. That might include data
14 with respect to --

15 Q But there's certainly nothing to indicate, other
16 than what you just referred to --

17 A The rest of it is not based upon ratings data.

18 Q NSI data?

19 A NSI or NTI.

20 Q I would ask you to turn to the next page entitled
21 Cable Audience Profiles, do you see that?

22 A Yes.

23 Q Is that based upon NSI data?

24 A I believe, yes, because it says "cable systems
25 located in diary markets".

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1 Q All right. It refers in the second paragraph to
2 something called the CAP methodology, do you see that?

3 A Yes.

4 Q Do you know what the CAP methodology is?

5 A I know what CAP stands for, but I don't know what
6 the methodology is.

7 Q CAP stands for Cable Audience Profile, correct?

8 A That's correct.

9 Q Do you know whether or not the methodology they
10 are referring to here, is the methodology that was used in
11 preparation for the -- in conjunction with your 1989
12 Viewing Study?

13 A No, I think the next paragraph begins to define
14 the methodology, and that does not relate to our study.

15 Q There is a reference here to "The CAP methodology
16 and format provide average audience", do you see that?

17 A Yes.

18 Q Nielsen has also provided you with average
19 audience data, has it not?

20 A But very specific, only for distant signals, and
21 they have not provided us -- if you follow that sentence,
22 "Average audience and cume ratings", I believe the word
23 "ratings" applies to average audience as well as to cume,
24 and Nielsen has not provided us with average audience
25 ratings.

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1 Q And have not provided you with Cume ratings
2 either, has it?

3 A That's correct.

4 Q Both of these, we can presume from their
5 inclusion as marketing material, would be of interest to
6 cable operators?

7 A Yes.

8 Q There is, in the next paragraph, a reference to -
9 - well, just read, if you would, Allen, in the next
10 paragraph, the last sentence.

11 A Do you want me to read it into the record?

12 Q Yes.

13 A "CAP is an excellent source for local cable
14 viewing information since its methodology adjusts for any
15 understatement to cable viewing in the diary."

16 Q Now, again, that CAP adjustment to which they are
17 referring, is not one that was utilized in connection with
18 the data that was provided you by Nielsen, correct?

19 A That's correct and, of course, this methodology
20 is used for local cable viewing, which our study is not
21 involved with.

22 Q The next paragraph refers to how this index --
23 and presumably that means the CAP ratings index, correct?

24 A Yes.

25 Q -- "is then applied to the corresponding national

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1 metered ratings", do you see that?

2 A I see that in the following paragraph.

3 Q Does this suggest to you, Allen, that whatever
4 data is obtained through this rating index, is then
5 adjusted to account for national metered information?

6 A I think that the reference there is to those
7 cable networks which are separately reported by Nielsen,
8 not to the overall -- not to all viewing -- but only to the
9 basic cable networks for which Nielsen maintains -- and for
10 which Nielsen provides data.

11 Q But it is clear, is it not, Allen, that none of
12 the data that Nielsen has provided you for purposes of the
13 1989 MPAA study, is adjusted to account for national
14 metered information?

15 A It is not.

16 Q Nor is it adjusted to account for the NSI metered
17 information, correct?

18 A No. Our study is based purely upon diary data.

19 Q Now, going further down on this page, we see,
20 again, there is a reference made to Nielsen's providing
21 cable operators with quarterhour ratings and average week
22 cumes, do you see that?

23 A Yes.

24 Q Again, there is nothing in your study -- that is,
25 the 1989 MPAA Viewing Study -- that reflects quarterhour

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1 ratings and average week Cumes, correct?

2 A No, sir.

3 Q That "no, sir" means yes, there is nothing in
4 your --

5 A It means our study, and I've said it a dozen
6 times, does not report anything on average quarterhour
7 ratings or average week Cumes.

8 Q But, presumably, Nielsen has come to the
9 conclusion that that type of information would be of value
10 to cable operators, correct?

11 A To a cable operator for its local cable service.
12 On a system-by-system basis, such data are valuable to the
13 cable system operators.

14 Q That's right, the cable operators carry distant
15 signals on a system-by-system basis, correct?

16 A As far as they are concerned, they want to know
17 how that distant signal performs locally on their system,
18 and that's what these data would provide.

19 Q But when you say how that distant signal performs
20 locally on their system, Allen, it is a fact that the
21 distant signal is a distant signal in that cable system's
22 market, correct?

23 A Yes.

24 Q Going further down on the page, there is another
25 bullet there that references Viewers Per Viewing Household,

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1 do you see that?

2 A Yes.

3 Q Do you know what that refers to?

4 A That's a demographic figure.

5 Q It says in the second line following that bullet,
6 that "Viewers per viewing household applied to the
7 household delivery estimate the number of viewers for up
8 to 10 demographic categories"?

9 A That's correct, that's what I just tried to
10 respond to in the last question.

11 Q Allen, the data that you have in your study is
12 based upon cable households, correct?

13 A That's correct.

14 Q It is not based upon the numbers of viewers per
15 household, correct?

16 A That's correct.

17 Q So, if your data shows that there are 1,000 cable
18 households tuned in to a particular program during an
19 average quarterhour, we don't know how many different
20 viewers are actually watching that program.

21 A Not from our study.

22 Q We simply know that 1,000 cable households are
23 tuned in, correct?

24 A Tuned into that distant signal, yes.

25 Q Can we presume that information as to the number

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1 of viewers as opposed to just the number of households, is
2 information that Nielsen considers to be of value to the
3 cable industry?

4 A If I was a cable operator, I would want to have
5 that information, just as when I was a broadcaster I wanted
6 to have that information.

7 Q But that is not information that is provided in
8 your 1989 study?

9 A No, it is not.

10 Q And, again, the last bullet there that refers to
11 demographic profiles, that's nothing that we haven't
12 already talked about earlier today, right, Allen?

13 A That's correct.

14 Q Let me ask you to turn to the next page which is
15 titled Metered Market Ratings, do you see that?

16 A Yes, I do.

17 Q Now, can we presume from this, Allen, that
18 Nielsen makes available to cable operators, information
19 derived from its meters?

20 A Yes, this is one of the services they offer.

21 Q And there is a specific reference in the first
22 paragraph there, to both the timeliness and accuracy of
23 local meter based cable ratings, do you see that?

24 A Yes. Incidentally, Bob, based upon the first
25 sentence where it says 25 markets, I assume that this is

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1 current 1991 type of statement.

2 Q Okay. There are now 25 markets that have metered
3 data?

4 A That's correct.

5 Q And those 25 markets probably represent
6 something, what, in excess of, say, 40 percent of the
7 nation's television households?

8 A The markets -- I don't know whether -- as I
9 indicated earlier, the meters do not cover the entire
10 market, they only cover generally counties which comprise
11 the core of each market.

12 Q The DMA?

13 A They are not the DMA. They would be less than
14 the DMA in most businesses. They would be more like the
15 metropolitan area rather than the designated market area,
16 and that's the reason why I can't respond that way. I
17 think the markets in which these meters are made, probably
18 do now encompass about 45 to 50 percent of all TV
19 households in the country.

20 Q Allen, I won't belabor the record, but there are
21 references on this page, again, to terms that we've talked
22 about earlier, such as custom daypart analyses,
23 demographics, and meter adjustments and all that, do you
24 see that?

25 A Yes.

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1 Q Those are not things that have any relationship
2 to the study that you performed for the Tribunal, correct?

3 A That's correct.

4 Q Now, Allen, let me ask you to turn to the next
5 page here, which is entitled Local Coincidentals, do you
6 see that?

7 A Yes, I do.

8 Q That's not something that is based on NSI data,
9 is it?

10 A No, sir.

11 Q In these instances, Nielsen uses the telephone
12 interviews with subscribers to obtain particular types of
13 information, correct?

14 A That's correct.

15 Q Those interviews are, in fact, conducted over
16 telephones, correct?

17 A That's what a telephone coincidental would be.

18 Q I wasn't certain how I'd phrased the last
19 question, I've been doing this too long here.

20 And on the last page, Allen, again, we see a
21 reference to New Nielsen Services for Metered Markets,
22 correct?

23 A Yes, I do see it.

24 Q That is not something that's based on NSI data,
25 is it?

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1 A No, it is not.

2 Q That's based upon meters, correct?

3 A That's correct.

4 Q Thank you, Allen.

5 CHAIRMAN AGUERO: Would you like to take a break
6 now?

7 MR. GARRETT: Sure.

8 (Whereupon, a short recess was taken.)

9 CHAIRMAN AGUERO: Back on the record.

10 BY MR. GARRETT:

11 Q Allen, one final question with respect to Sports
12 Exhibit 15-X. Is there anywhere in the market materials
13 contained in Sports Exhibit 15-X, reference to the concept
14 of Household Viewing Hours?

15 A No, sir.

16 Q And Nielsen does not, at least not in the market
17 materials that we have before us --

18 A No, they --

19 Q Let me finish -- offer to provide cable operators
20 with information on Household Viewing Hours, HHVH, correct?

21 A HHVH is our invention, Bob, and I don't -- I
22 think we have customized the data, these are the data we've
23 been producing and providing to the Tribunal since 1979.

24 Q Thank you, Allen. Let's talk about the bottom
25 line numbers in the survey for a moment, Allen.

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1 A Yes, sir.

2 Q Allen, we established the other day, that the
3 1989 four-cycle viewing Share for Major Sports was 12.66
4 percent, correct?

5 A I believe that's what we came to.

6 Q What is the time share, four-cycle time share for
7 Major Sports?

8 A In four cycles?

9 Q Yes.

10 A I'll see if I have such data. I have not used
11 four-cycle data at all.

12 Q It's in Program Suppliers' Exhibit 1, is it not?

13 A Yes, I can get it from there. You don't have to
14 lift it up for me, Commissioner.

15 COMMISSIONER ARGETSINGER: You didn't see me
16 jumping out of my seat.

17 (Laughter.)

18 THE WITNESS: (Perusing document.) Okay. The
19 Major Sports, the quarterhour share in terms of time, was
20 1.203 percent.

21 BY MR. GARRETT:

22 Q Allen, can you give me the comparable percentages
23 for Sports in the 1983 MPAA Viewing Study?

24 A I don't have those with me.

25 Q You don't have those with you, Allen?

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1 A No, I don't.

2 Q Let me ask you to turn to pages 1272 and
3 following in the transcript of your testimony in the 1983
4 proceeding, and see if that provides you a basis for
5 answering my question. (Handing document.) Let me direct
6 your attention in particular, Allen, to page 1274.

7 A (Perusing document.) That's the viewing figure
8 for the 1983 study.

9 Q For Major Sports?

10 A For Major Sports.

11 Q And what was the number?

12 A Ten point seven five three.

13 Q And that, in fact, is the number that is
14 contained in the Tribunal's final determination, is it not,
15 as the number that you advanced for four cycles?

16 A Let me hear that again, please.

17 Q Strike the question.

18 What was the time share for Sports in the 1983
19 study?

20 A I see on page 1275, there is a figure circled
21 that says 1.515.

22 Q Allen --

23 A I have a problem.

24 Q What is the problem, Allen?

25 A Because the following question -- I think it's

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1 by Mr. Ferrall -- and it says "And, again, that would
2 include PBS in 1983". I don't understand that piece.

3 Do you understand what I'm trying to say?
4 Immediately following the 1.515 figure, the question is,
5 "And, again, that would include PBS in 1983", and I don't
6 understand that.

7 Q Let's assume -- what was your answer to that
8 question?

9 A "Twenty percent of the total time was PBS."

10 Q Let me ask it this way, Allen. In your 1989
11 study, our share of 1.203 percent represents our share of
12 time with the PBS stations included, correct?

13 A That's correct.

14 Q And the 1.515 percent also represents our share
15 of time with the PBS stations included, does it not?

16 A This is very complicated material you're asking
17 me to read.

18 Q It was your testimony, Allen.

19 A It says here, "So, we backed out PBS again, that
20 1.5, which is the figure you have written down, would rise
21 slightly, would it not?" And the answer was, "It would
22 rise -- it should rise to close to 2. Let me work it out.
23 It would go to 1.900".

24 Q Well, is it your understanding that if we backed
25 out PBS programming in the 1983 study, our share of time

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1 would go from 1.5 to approximately 1.9 percent? Is that
2 the way you read that?

3 A In the 1983 study, yes.

4 Q Now, if we backed out the PBS programming from
5 the 1989 study, our share of 1.203 percent would also rise,
6 would it not?

7 A Yes, it would.

8 Q Again, the viewing numbers that you have given
9 for 1989 for Sports, are with PBS included, correct?

10 A That's correct.

11 Q So, if we backed out PBS from the analysis, the
12 12.66 number would also rise, correct?

13 A That's correct.

14 Q And the same is true with the 10.753 percent for
15 1983. That includes PBS in it, does it not?

16 A Yes. The PBS, of course, is -- they are at the
17 level of, I believe, 2 percent, so it wouldn't make that
18 kind of a big difference.

19 Q All right. But if we backed out PBS --

20 A It would have to go up.

21 Q All right. Well, we're just going to take these
22 numbers here with PBS included, correct?

23 A If that's your choice.

24 Q If we go to your 1980 study, Sports' share of
25 viewing was approximately how much, Allen -- your answer

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1 to the question in the last proceeding.

2 A Again reading from page 1275, viewing in 1980 is
3 2.160.

4 Q That's the share of time, is it not?

5 A The time, right.

6 Q Two point one six zero?

7 A Yes.

8 Q And the share of viewing was how much?

9 A I'll try to find it.

10 Q I direct your attention to page 1273 of the
11 transcript.

12 A (Perusing document.) There's a figure of 7.081
13 on page 1273.

14 Q Now, the 1980 numbers do not include any numbers
15 for viewing or time for PBS, do they?

16 A I don't believe we included PBS in our sample in
17 1980.

18 Q The viewing numbers that I have here for 1983 and
19 1989, which your testimony refers, do, however, include
20 PBS?

21 A That's correct.

22 Q But it's your view that if we backed out PBS so
23 it would make the number precisely comparable to 7.081, our
24 numbers here would rise only slightly?

25 A That's correct.

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1 Q You haven't done the calculation for what it
2 would be, have you?

3 A Well --

4 Q Allen, if you haven't done it --

5 A No, I haven't, but it will take a second to do
6 that. The PBS share of viewing was 2.06 -- I said 2
7 percent --

8 COMMISSIONER ARGETSINGER: Mr. Cooper, I'm going
9 to have to ask a question here. Perhaps the rest of the
10 people in the room understand this but, if you back
11 something out of a number, how does the number rise?

12 THE WITNESS: Because the base then becomes
13 smaller. In other words, the viewing hours for PBS were
14 included in the base from which the percentage was
15 calculated. So, I take that viewing out, then I would
16 calculate the -- then each component's number would go up.

17 COMMISSIONER ARGETSINGER: I'll think about it.

18 THE WITNESS: It's just like taking -- 10 of 80
19 is more than 10 of 90. So, I took 10 off 90, then your 10
20 of 90 would be about 11 percent, 10 of 80 would be about
21 12 percent. So, when I took the 10 off -- backed off the
22 10 -- then the same 10 rises in percentages.

23 BY MR. GARRETT:

24 Q The bottom line, Allen, is that over the period
25 1980-89, Sports' share of time included in your viewing

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1 study, has declined from approximately 2.2 percent to 1.2
2 percent, correct?

3 A Yes.

4 Q And at the same time, the Sports' share of
5 viewing has increased from approximately a little over 7
6 percent in 1980 to approximately 12.66 percent in 1989,
7 correct?

8 A That's correct.

9 Q Now, we learned the other day, Allen, that these
10 viewing percentages here are, again, actually the product
11 of the two factors, viewing and time, correct?

12 A Yes, sir.

13 Q And if the time percentage declines, why is it
14 that the bottom line viewing percentage does not decline?

15 A It's because the stations which carry that
16 particular type of program may be carrying it more as a
17 distant signal in the later years than they were earlier.

18 Q Also, it is true, is it not, Allen, that because
19 the amount of viewing attributable to that category has
20 increased disproportionate to whatever amount of time was
21 lost, correct?

22 A It depends upon the mix of stations, too, Bob,
23 and that's the reason I'm hesitating to answer that. No,
24 I am not familiar with these four-cycle data, and that's
25 why I'm having a problem focusing on this.

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1 Q You were familiar with the four-cycle data in the
2 1983 proceeding, were you not?

3 A That's correct, because we did not expand to six-
4 cycle until we were directed by the Tribunal to increase
5 the number of cycles.

6 Q In the 1983 proceeding, Allen, you had presented
7 the Tribunal with both four-cycle and six-cycle data,
8 correct?

9 A I don't know if that's the case. I don't recall
10 that, Bob. Probably, yes, because I think we are
11 comparing, in my testimony, six-cycle data for '83 and six-
12 cycle data for '89. So, I think that the answer is yes,
13 we had both six-cycle and four-cycle data.

14 Q And you testified, did you not, during the 1983
15 proceeding, that you had no objection to the Tribunal's
16 using the four-cycle data as opposed to the six-cycle data,
17 correct?

18 A I felt then that as far as the Program Suppliers
19 category share, that the differences between the four- and
20 the six-cycle were insignificant. I do feel that the six-
21 cycle data are far more desirable to use than four-cycle
22 for all categories because of the wider assortment of
23 programs that are presented in the six-cycle study, and
24 because amount of data in six-cycle is approximately 50
25 percent greater than it is in the four-cycle data.

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1 Q And your six-cycle viewing share, Allen, is
2 approximately 83 percent, correct?

3 A This year, yes.

4 Q And your four-cycle viewing share is
5 approximately 80 percent, correct?

6 A I think it's a little higher than 80 percent.

7 Q Do you want to give us what the exact figure is?

8 A Again, it's one of these crazy things which I
9 don't -- (perusing document) -- 80.5 percent.

10 Q And the six-cycle is how much?

11 A The six-cycle we have testified is 83 -- I should
12 know that one -- is 83.6 percent.

13 Q Allen, let me ask the question I asked earlier.
14 Let me put it this way. On page 12794 of the Tribunal's
15 Final Determination, the statement is made, "MPAA witness
16 Allen Cooper indicated that Program Suppliers had no
17 objection to relying on four-cycle data rather than the
18 six-cycle data".

19 A In 1983?

20 Q Yes.

21 A Yes.

22 Q Is that correct?

23 A That was a correct statement on my part.

24 Q That was a correct summary of your testimony on
25 this point?

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1 A In 1983, yes.

2 Q Now, is your position different here in '89 than
3 it was in '83? Do you now have an objection to relying
4 upon four-cycle as opposed to six-cycle data?

5 A In the ensuing period, I have developed more
6 confidence in the six-cycle numbers than in the four-cycle
7 numbers.

8 Q And that confidence level is not affected in any
9 way, is it, by the fact that your six-cycle viewing share
10 is higher than your four-cycle viewing share, is it, Allen?

11 A It really is not. I don't mind that it's higher
12 in the six-cycle, but that's not the reason for my feeling
13 that way.

14 Q In the 1983 Final Determination of the CRT, the
15 statement is made on page 12808, "MPAA withdrew its
16 reliance on the six-cycle data and stated it was content
17 to rely solely on the four-cycle data". Was that a correct
18 statement of MPAA's position in the 1983 proceeding?

19 A If that's what the Tribunal wrote for the record,
20 I'm sure it's true.

21 Q Last Friday, Allen, Commissioner Aguero had asked
22 a number of questions about the difference between the
23 four-cycle and six-cycle data, do you recall that?

24 A Yes.

25 Q You stated at that time that the -- and I'm

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1 quoting now from page 359 -- "All I will tell you,
2 Commissioner, is that the major league sports -- the six-
3 cycle figure in terms of quarterhours, in terms of viewing,
4 is greater than the four-cycle data".

5 A That's true.

6 Q What is Sports' share of viewing on the six-cycle
7 basis?

8 A I can give you the shares for each of the sports,
9 major sports, that are composed in that.

10 Q I don't want it for each of the sports, I want
11 to know what Major Sports' share --

12 A For major league baseball, you mean?

13 Q You say here that the major league sports six-
14 cycle figure in terms of quarterhours, in terms of viewing,
15 is greater than the four-cycle data. Is that a correct
16 statement?

17 A You just made a statement, and I don't know if -
18 - excuse me, Bob -- I don't know if the recording is
19 correct because you just read something about major --

20 Q Let me direct your attention to page 359 of the
21 transcript of this proceeding, beginning with the answer
22 that you provide here to Commissioner Aguero's question.

23 A "That the major league sports, the six-cycle
24 figure in terms of quarterhours, in terms of viewing, is
25 greater than the four-cycle data", is true.

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1 Q Well, what is the viewing share for major league
2 sports on a six-cycle basis?

3 A I wasn't referring to share, I was referring to
4 the numbers. If you wish, I can give you -- I'll answer
5 your question, but I don't think that my response there
6 relates to shares.

7 Q What does your response relate to, then?

8 A It relates to the absolute numbers for the Major
9 Sports category, four-cycle, six-cycle, 1989.

10 Q The Sports viewing share, the one that you offer
11 as the basis for allocation here, is, in fact, lower in the
12 six-cycle study than it is in the four-cycle study,
13 correct?

14 A It is lower. It is, but the element that I was
15 referring to was that the number of viewing hours in the
16 four-cycle study for Major Sports, was 328,391,280 whereas,
17 in the six-cycle, it's 370,960,051.

18 Q But the number of viewing hours, Allen, for all
19 categories, is greater in the six-cycle than in the four-
20 cycle study.

21 A I'm not arguing that. I'm just referring to the
22 citation that you make there and the basis for my making
23 that citation, that for Sports, the number of the time and
24 the number of viewing hours was greater in six-cycle than
25 it was in four-cycle.

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1 Q The number of viewing hours, however, is not what
2 is determinative under the formula that you advanced here,
3 it's the share.

4 A That's correct.

5 Q So, just so the record is clear on this point,
6 Allen, our six-cycle viewing share is, in fact, lower than
7 the four-cycle viewing share, correct?

8 A That's absolutely correct.

9 Q Our four-cycle viewing share is 12.66 percent,
10 correct?

11 A That's correct.

12 Q And the six-cycle is 9.82 percent, correct?

13 A Nine point eight two three percent, yes.

14 Q And in 1983, our six-cycle viewing share was 9.28
15 percent, correct?

16 A I don't know that.

17 Q Well, assume that is correct.

18 A Okay.

19 Q And assuming that is correct, Allen, we see that
20 if we look simply at the six-cycle data, the viewing share
21 for Major Sports between '83 and '89 rises very slightly?

22 A That's correct, assuming that's correct.

23 CHAIRMAN AGUERO: For Major Sports, 10.75, four-
24 cycle, and six-cycle, 9.28.

25 MR. GARRETT: Thank you, Mr. Chairman.

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1 BY MR. GARRETT:

2 Q Now, the difference between those two percentages
3 in the 1989 study, 9.82 percent and 12.66 percent, is
4 largely attributable, is it not, Allen, to the absence of
5 major league baseball in the additional months of survey
6 in the six-cycle?

7 A It's the substitution of other major sports items
8 for baseball in January, February, October and November.
9 Those are the months during which our study found viewing
10 for NBA and college basketball, NHL hockey, and college
11 football.

12 Q Again, following up on Commissioner Aguero's
13 questions the other day, Allen, baseball, in 1989,
14 presented non-network telecasts for approximately seven out
15 of the twelve months, correct? It starts in March for pre-
16 season and goes to the end of September for the regular
17 season, correct?

18 A I think that's reasonably correct. I'll take
19 March-September as well as April-October, same thing.

20 Q Baseball is on approximately 58.3 percent of the
21 year -- that is, it's broadcast on a non-network basis
22 during approximately 58.3 percent of the year, correct --
23 seven months over twelve?

24 A That's correct. It would be on a non-network and
25 a network basis.

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1 Q In your four-cycle study, baseball appears on two
2 of the four sweep periods measured, correct?

3 A That's correct.

4 Q And that means it shows up in approximately 50
5 percent of the periods surveyed, correct?

6 A That's correct.

7 Q And if we look at your six-cycle, baseball shows
8 up for two months and a couple of days out of the six-cycle
9 period, correct?

10 A It shows up in May, July and October.

11 Q October telecasts are all going to be network
12 telecasts, correct? Those are the playoffs and the World
13 Series, which are network TV.

14 A Well, the baseball season is generally considered
15 to be -- the source that I was using says April to October.
16 That's the baseball season both for network and non-network
17 baseball.

18 Q Regular season baseball telecasts end at the end
19 of September, correct?

20 A I don't know that to be the case. All that just
21 refers is that the season for baseball broadcasting is
22 April-October.

23 Q Well, do you know, Allen, for the six cycles that
24 you measure, how many of those have non-network baseball
25 telecasts included with that?

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1 A I would assume that certainly in May and July,
2 and possibly also some in October.

3 Q Allen, if I represent to you that the season ends
4 -- the regular season ended approximately the end of
5 September, okay -- say, September 30th --

6 A Okay.

7 Q -- how many non-network baseball telecasts would
8 be picked up in your study?

9 A I think what you want me to say, and I will say
10 it, that non-network baseball, assuming that there was no
11 non-network baseball in October, would be picked up in May
12 and July only.

13 Q All right, two out of the six sweep periods,
14 correct?

15 A That's correct.

16 Q Now, in fact, your sweep periods run from
17 approximately September 28th through October -- sometime
18 near the end of October?

19 A Four weeks from September 28th.

20 Q So, you, in fact, do pick up about two or three
21 days of major league baseball telecasts in your six-cycle
22 study, is that correct?

23 A Okay.

24 Q Two out of six, we're talking about roughly 33
25 percent of the period that you measure picks up baseball?

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1 A That's correct.

2 Q That's notwithstanding the fact that baseball is
3 on approximately 58 percent of the year, correct?

4 A It's true of baseball and it's true of other
5 sports as well.

6 Q But when you moved to measurements based on a
7 six-cycle period, it clearly disadvantages baseball, does
8 it not?

9 A We give credit to all baseball on the same basis
10 we give credit to everything else, and what it does, it may
11 disadvantage baseball, but baseball has the same chance of
12 increasing its viewing in six-cycle as it does in four.

13 Q Well, Allen, my point is simply that it's on
14 approximately 58 percent of the year and, under your six-
15 cycle study, you only pick it up 33 percent of the year,
16 correct?

17 A What I'm trying to get at, Bob, is that the
18 baseball quarterhours -- quarterhours, the time situation
19 -- on the six-cycle basis, was 49 percent higher than on
20 the four-cycle. And that, I think, is the determining
21 number.

22 Q Allen, that's absolute viewing that you're
23 talking about there, Household Viewing Hours, correct?

24 A Yes.

25 Q We still have to take those Household Viewing

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1 Hours under the formula you've advanced here, and express
2 that as a percentage of the total Household Viewing Hours,
3 correct?

4 A Yes.

5 Q And when we do that, it's clear that baseball
6 suffers under this six-cycle approach that you've advanced
7 here.

8 A It's not our fault that baseball is on only six
9 or seven months a year. I mean, if it were on 12 months
10 a year, it wouldn't be penalized, if it's penalized at all.

11 Q What you have done is, you have replaced in your
12 six-cycle study, certain quarterhours of baseball, with
13 quarterhours of other sports, correct?

14 A Obviously, since the total for sports went up,
15 that's what happened.

16 Q And those other quarterhours do not generate
17 viewing numbers as high as baseball generates during the
18 time that it is on, correct?

19 A I think that I testified on Friday that baseball
20 is the most popular of the major non-network sports
21 programming.

22 Q It's because you replaced baseball's viewing
23 hours with viewing hours of other sports, that the total
24 share goes down ultimately for baseball --

25 A Don't give me credit --

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1 Q -- just a minute -- from 12.66 percent on a four-
2 cycle to about 9.82 on a six-cycle.

3 A Don't credit me for replacing baseball by these
4 other sports. This is not my doing. The other sports just
5 are in the periods when baseball is not being played or
6 being broadcast on a non-network basis. I think that going
7 to the six-cycle provides important share numbers for the
8 basketball association, for hockey, and for the NCAA games.

9 CHAIRMAN AGUERO: The counsel has something to
10 say.

11 MR. CASSLER: We said in other decisions that if
12 a category is unmeasured or undermeasured by the Nielsen,
13 that the Tribunal would make adjustments for it in the
14 final decision. Is that the point of the cross-
15 examination?

16 (Laughter.)

17 MR. GARRETT: I'm not going to say no to that.
18 I think that's one of several points.

19 CHAIRMAN AGUERO: This is a question that perhaps
20 has nothing to do with the issue we are discussing right
21 now, but audiencewise, who has more fans, basketball or
22 baseball?

23 THE WITNESS: Baseball has more fans.

24 CHAIRMAN AGUERO: I don't think so, Mr. Cooper.

25 (Laughter.)

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1 THE WITNESS: Are you talking about attendance
2 at the games?

3 CHAIRMAN AGUERO: The basketball audience is
4 larger than the baseball audience.

5 THE WITNESS: You mean attendance at arenas?

6 CHAIRMAN AGUERO: Yes.

7 THE WITNESS: I wouldn't question that.

8 CHAIRMAN AGUERO: Basketball is the number one
9 sport in the whole universe, better than football or
10 soccer, audiencewise.

11 THE WITNESS: I thought it was horse racing.

12 COMMISSIONER ARGETSINGER: I think it's auto
13 racing.

14 (Laughter.)

15 CHAIRMAN AGUERO: I am not sure, but basketball
16 you can play in college for 3,000, 4,000, 10,000, 5,000,
17 2,000. You can play basketball in many places in the whole
18 universe, with the boy in your home, you play basketball.
19 Baseball, you need --

20 THE WITNESS: You need a diamond, a field. If
21 you build one, they'll come.

22 COMMISSIONER ARGETSINGER: What about distant
23 carriage, and you're saying distant carriage baseball?

24 THE WITNESS: I think that where we go there,
25 again, is the fact that baseball is more of a national

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1 sport. I think that basketball and hockey and so forth are
2 more regionally oriented than baseball but, no --

3 CHAIRMAN AGUERO: Baseball, for this country and
4 many other countries, is the number one sport, but the
5 universe, I think that basketball is more popular than
6 baseball.

7 THE WITNESS: Mr. Chairman, the fact that
8 baseball is possibly more popular relates to the fact that
9 there are probably more baseball games carried on national
10 television than basketball.

11 CHAIRMAN AGUERO: Perhaps, yes.

12 THE WITNESS: National network television.

13 BY MR. GARRETT:

14 Q How many baseball games are carried on national
15 network television?

16 A I'm sure a lot more than national basketball
17 games or national hockey games.

18 Q Do you know how many such games were carried in
19 1989, on national -- baseball games carried in 1989?

20 A No, I don't know. I would, myself, assume that
21 we're dealing with probably -- on network television,
22 probably 25 or 30, but on cable networks and so forth,
23 probably the number is very large.

24 Q Allen, in your testimony on page 10, you state
25 there that "It is noteworthy that the Program Suppliers'

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1 share of viewing is substantially greater than our share
2 of time", do you see that?

3 A Yes.

4 Q What is the significance of that fact?

5 A I believe it is indicative of the relative
6 popularity and value of Program Suppliers' programs versus
7 all other programs combined.

8 Q And the Tribunal has suggested in the past that
9 it would look at questions of whether or not the share of
10 viewing was higher than the share of time, correct?

11 A I wouldn't -- if you say so, Bob, I accept your
12 statement completely.

13 Q You go on here, Allen, to aggregate in these data
14 here, Movies and Syndicated programming viewing shares,
15 correct?

16 A That's correct.

17 Q What I'd like to do for a moment, Allen, is put
18 to one side Movies and look solely at Syndicated Shows,
19 okay?

20 A You can do what you wish? I mean, I don't view
21 it that way. I consider we are representing Series and
22 Movies.

23 Q What is the four-cycle share of viewing for
24 Syndicated Series in the 1989 study?

25 A Four-cycle share for Series alone?

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1 Q Yes.

2 A Fifty-three point two zero four.

3 Q And its share of time in that study?

4 A Fifty-two point two five zero.

5 Q What about for Major Sports? What is its share
6 of viewing?

7 A It was 12.660 and 1.203.

8 Q If we took it without Movies, its share of
9 viewing is approximately how much?

10 A Share of viewing is 27.267. This is four-cycle
11 data, and time was 11.487.

12 Q Now, what this shows, Allen, does not -- let's
13 focus just on Syndicated Series for a moment, share of
14 viewing and share of time are almost equal, correct?

15 A Correct, about a 1.

16 Q For Major Sports, on the other hand, the share
17 of viewing is --

18 A About a 10.

19 Q -- 10 to 1. And if we look at Movies, the share
20 of viewing is about --

21 A Two and a half to one.

22 Q If we went and looked at in the six-cycle data
23 that you have advanced here, we would find once again that
24 the Syndicated Series share of viewing to share of time is
25 approximately the same?

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1 A Yes.

2 Q And, again, we would find that Major Sports'
3 share of viewing is higher than its share of time, correct?

4 A Yes.

5 Q But the ratio there is about --

6 A About 8-to-1.

7 Q -- 8-to-1. And for Movies, again, even in six-
8 cycle data, the share of viewing --

9 A About 2.5-to-1.

10 Q Allen, earlier today you had calculated the
11 average number of households that viewed a particular
12 station's programming according to your study, do you
13 recall that?

14 A No, I did not. What I calculated, I thought, was
15 the average number of distant signal viewers per hour of
16 transmitted programming.

17 Q Let me just go again to the four-cycle data here.
18 Could you calculate for us the number of cable households,
19 according to your four-cycle study, which viewed Major
20 Sports programming during 1989.

21 A I can't give you that from here. I can give you
22 the average number of households that viewed an hour of
23 sports programming as distant signal.

24 Q What is that number?

25 A I'll try to calculate it for you. This is four-

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1 cycle?

2 Q Yes.

3 A Seven thousand six sixty-seven.

4 Q I'm sorry, how much?

5 A Seven thousand six sixty-seven.

6 Q How did you calculate that number, Allen?

7 A I divided 328,391,280 by 10,708 and then divided
8 that total by 4.

9 Q Allen, let's start out again. In order to find
10 out the average number of cable households watching Major
11 Sports programming, according to your study, we start, do
12 we not, with the number of Household Viewing Hours?

13 A Yes.

14 Q That's 328 million, correct?

15 A Correct.

16 Q Now, that is expressed in terms of hours, is it
17 not?

18 A Yes.

19 Q We go back to the amount of time, which is 10,708
20 quarterhours, correct?

21 A Yes.

22 Q How many hours is 10,708 quarterhours?

23 A Two thousand six seventy-seven.

24 Q If we divide the 328 million number by 2,677,
25 what do you come up with?

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1 A I get 122,671.

2 Q Isn't that the number of households which
3 actually watched Major Sports programming during the
4 average quarterhour, according to your four-cycle study?

5 A I believe that's right. I may just be getting
6 confused with hours and quarterhours, but I think that
7 number is right.

8 Q I'm trying to get a viewing number.
9 Approximately 122,000 households?

10 A That's correct.

11 Q What is the comparable number for Syndicated
12 Series?

13 A Eleven thousand eight hundred sixty-six.

14 Q And for Movies?

15 A (Calculating.) Let me just check this thing.
16 (Calculating.) I'm sorry, Bob, I'm just having a little
17 problem with my own --

18 Q Well, Allen, don't we do this by dividing the
19 number 707,284,527 --

20 A That's what I just put in here.

21 Q -- and you divide that by 25,565 hours, correct?

22 A (Calculating.) The number I'm coming up with is
23 1,729, and I don't like it.

24 Q I can understand that. I think the number is
25 approximately 27,666, Allen. Subject to check of my math,

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1 would you accept that number?

2 A What's your number?

3 Q Twenty-seven thousand six hundred sixty-six.

4 A I'll accept that.

5 Q It's much better than the one you came up with.

6 A Yes, that's why I wasn't giving my number away.

7 Q That's the least I can do for you, Allen.

8 (Laughter.)

9 Now, Allen, the bottom line here is, when we look
10 at Major Sports versus Syndicated Series, we see that
11 during the average quarterhour, Major Sports gets
12 approximately ten times the viewing that Syndicated Series
13 does, correct?

14 A Yes.

15 Q And yet when we go to the bottom line numbers -
16 - excuse me -- that's just a reflection of the average
17 quarterhour the number of cable households are turned into
18 that programming, correct?

19 A Okay.

20 Q But when we go to the bottom line numbers in your
21 Program Suppliers' Exhibit 1, we then find that Syndicated
22 Series comes up with a share which is approximately five
23 times, four and a half, five times greater than Major
24 Sports, correct?

25 A Yes.

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1 Q And the reason for that, is it not, Allen, that
2 the number of quarterhours of Syndicated Series is
3 substantially greater?

4 A That's correct.

5 Q So, when we simply look at viewing, the number
6 of cable households who are watching Sports versus
7 Syndicated Series, we see that there are many, many more
8 tuned into Major Sports than Syndicate Series, according
9 to your study?

10 A Yes, I will accept that.

11 Q But it's only when we introduce the time element
12 here that we see Sports ending up with a share which is
13 significantly lower?

14 A I think that's true, yes.

15 MR. GARRETT: Did you want to break now, Mr.
16 Chairman?

17 CHAIRMAN AGUERO: It depends. What time do you
18 want to leave?

19 THE WITNESS: I'm with you from here to eternity.

20 CHAIRMAN AGUERO: Then let's continue. Do you
21 want to continue? How much time do you need, Mr. Garrett,
22 more or less, approximately -- one hour? Four hours?

23 MR. GARRETT: Frankly, Mr. Chairman, if we broke
24 now, I could probably conclude on Thursday, in 15-20
25 minutes.

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1 CHAIRMAN AGUERO: And today?

2 MR. GARRETT: If we did it today, it would be
3 about two hours.

4 (Laughter.)

5 COMMISSIONER ARGETSINGER: I think we should
6 break.

7 CHAIRMAN AGUERO: Can you give us any reason?

8 MR. GARRETT: Both of us are thinking more slowly
9 at this point, and I don't want to interfere with Mr.
10 Cassler's --

11 CHAIRMAN AGUERO: No, no. Commissioner, do you
12 want to --

13 COMMISSIONER ARGETSINGER: If he really can
14 finish up in less than an hour --

15 MR. GARRETT: It will be fairly long. I'd just
16 like the opportunity to review my notes and go back and
17 see whether there's anything more that I need to put on the
18 record.

19 COMMISSIONER ARGETSINGER: Mr. Stewart, how long
20 are you going to take?

21 MR. STEWART: Again, it's difficult to predict -
22 - at least two hours.

23 COMMISSIONER ARGETSINGER: Well, if we have to
24 come back on Friday, we'll come back on Friday.

25 MR. LANE: Can we start at 9:30?

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1 MR. GARRETT: I'm available for that.

2 MR. LANE: I'm asking the Chairman if we could
3 start at 9:30.

4 CHAIRMAN AGUERO: Would you rather come at 9:30
5 or 10:00 o'clock?

6 MR. LANE: I'm just saying, Mr. Chairman, that
7 since we're doing this as a convenience to Mr. Garrett,
8 that would give us -- he would have twice the amount of
9 time than he said he needs, and then we would start the
10 regular day for everybody else, so we might not have to go
11 over to Friday.

12 CHAIRMAN AGUERO: We will start at 9:30 on
13 Thursday, September 19.

14 (Whereupon, at 3:55 p.m., the hearing was
15 adjourned, to reconvene at 9:30 on Thursday, September 19,
16 1991, in the same room.)

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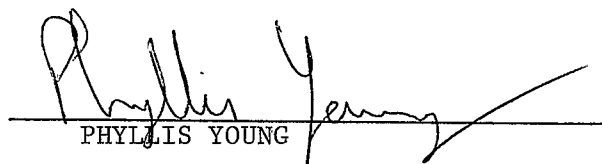
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ROYALTY DISTRIBUTION PROCEEDING
(DOCKET NO. CRT 91-2-89CD)

Before: MARIO F. AGUERO, CHAIRMAN

Date: SEPTEMBER 17, 1991

Place: COPYRIGHT ROYALTY TRIBUNAL
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PHYLLIS YOUNG

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FOR WEEK STARTING THURSDAY, APRIL 26



SPORTS EX14X

It's easy to keep a NIELSEN diary!
Just mark as shown in Example:

◦ WHEN ... TV set is turned on or off.

◦ WHICH ... station and channel are being watched for 5 minutes or longer.

◦ WHAT ... program is being watched.

◦ WHO...is watching or listening for 5 minutes or longer.

TIME QUARTER HOURS	TV SET		STATION AND CHANNEL		NAME OF PROGRAM (For Movies, please show Name of Movie)									
	On	Off	NAME	NO.		George	Tom	Victor	Example	7	9			
4	:00													
	:15													
	:30	X	WAAA	8	NEWS HIGHLIGHTS	X	X	X						
	:45													
5	:00		KZZZ	82	MOVIE-Desert Story									
	:15													
	:30													
	:45													

◦ WHEN...the TV is on, but no one is watching or listening.

Please write in all the members of your household at the right: →

- First name
- Age
- Sex
- Number of Hours worked per week

If a visitor watches this TV, please write in at the right:

- "Visitor"
- Approximate age
- Sex

FIRST NAME
AGE
SEX
Hours worked per week

	1	3	5	7	9
FIRST NAME					
AGE					
SEX					
Hours worked per week					

- How many TV sets do you have: _____ NUMBER
- How many are in working order? _____ NUMBER

Please keep one diary with each TV.

If your TV(s) will not be used at all during the entire diary week (too date on cover), please ☒ reason:

- All TV's broken ☐
 Everyone away on vacation ☐
 Then, please answer the questions and mail back your diary right away.

	1	3	5	7	9
FIRST NAME	Yvonne	John	Victor		
AGE	36	10	62		
SEX	M	M	F		
Hours worked per week	40	0	0		

EXAMPLE

- Is this TV connected to a Cable TV service? 1 ☐ YES 2 ☐ NO

IF YES...write in name of cable company: _____

When making entries in the "Channel No." column, you may write in either the broadcast channel number...or the cable channel number or letter.

- Does this TV receive any channels which are offered for extra monthly fees?

1 ☐ YES 2 ☐ NO IF YES: Please check ☒ the channels received:

- 1 ☐ Home Box Office 5 ☐ Cinemax
 2 ☐ The Movie Channel 6 ☐ Others _____
 3 ☐ The Disney Channel (Please write names.)
 4 ☐ Showtime

- Is this TV connected to a Video Cassette Recorder (VCR)?

1 ☐ YES 2 ☐ NO

IF YES...Please enter in your diary all TV programs recorded on this VCR. Please see the last page of the diary for VCR instructions.

If any questions, please call our toll-free phone number:
1-800-237-8611

- 1 2 3 4 5 6 7 8 9
- How many members of your household are in the following age groups? (Please include yourself.)

Age Group	Males	Females	Age Group	Males	Females
01 65 and over			07 18 thru 24		
02 55 thru 64			08 15 thru 17		
03 50 thru 54			09 12 thru 14		
04 45 thru 49			10 6 thru 11		
05 35 thru 44			11 2 thru 5		
06 25 thru 34			12 Under 2		

- Is your household of Spanish/Hispanic origin or descent? ☐ YES ☐ NO

- Please check the race of your household.

1 ☐ White 2 ☐ Black 3 ☐ Oriental 4 ☐ Other (Please write in)

- Please check ☒ the schooling completed by the Male Head of House ... and the Female Head of House.

	Male Head of House	Female Head of House
Grammar School	1 <input type="checkbox"/>	1 <input type="checkbox"/>
Some High School	2 <input type="checkbox"/>	2 <input type="checkbox"/>
High School Graduate or Equivalency Diploma	3 <input type="checkbox"/>	3 <input type="checkbox"/>
Some College	4 <input type="checkbox"/>	4 <input type="checkbox"/>
College Graduate	5 <input type="checkbox"/>	5 <input type="checkbox"/>
Post College Graduate Degree	6 <input type="checkbox"/>	6 <input type="checkbox"/>
No Male or Female Head of House	0 <input type="checkbox"/>	0 <input type="checkbox"/>

If any questions, please call our toll-free phone number:
1-800-237-8611

6:00
A.M.

THURSDAY

TIME QUARTER- HOURS	TV SET OFF ON	STATION AND CHANNEL		NAME OF PROGRAM (For Movies, please show Name of Movie.)														
		NAME	NO.		1	2	3	4	5	6	7	8	9	10				
01 :00																		
02 :15																		
03 :30																		
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DAYTIME

4:00
P.M.

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40 :45																		

Important . . . Please write in
date you start this Diary _____

If any questions, please call
our toll-free phone number:
1-800-237-8611

4:00 P.M.

THURSDAY

5	STATION AND CHANNEL	NAME OF PROGRAM (For Device, please show Name of Device.)	1 2 3 4 5 6 7 8 9																	
			1	2	3	4	5	6	7	8	9									
41	4:00																			
42	4:15																			
43	4:30																			
44	4:45																			
45	5:00																			
46	5:15																			
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56	7:45																			
57	8:00																			
58	8:15																			
59	8:30																			
60	8:45																			

EVENING

2:00 A.M.

61	9:00																			
62	9:15																			
63	9:30																			
64	9:45																			
65	10:00																			
66	10:15																			
67	10:30																			
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69	11:00																			
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71	11:30																			
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73	12:00																			
74	12:15																			
75	12:30																			
76	12:45																			
77	1:00																			
78	1:15																			
79	1:30																			
80	1:45																			

IF ANY VIEWING BETWEEN 2:00 A.M. AND 6:00 A.M., PLEASE GIVE DETAILS HERE.

If any questions, please call our toll-free phone number: 1-800-237-8611

6:00
A.M.

FRIDAY

TIME	TV SET	STATION AND CHANNEL		NAME OF PROGRAM (For Movie, please show Name of Movie.)											
		NAME	NO.		1	2	3	4	5	6	7	8	9		
01 :00					1										
02 :15															
03 :30															
04 :45															
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DAYTIME

4:00
P.M.

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39 :30															
40 :45															

Comments: _____

If any questions, please call
 our toll-free phone number:
1-800-237-8611

4:00 P.M.

SATURDAY

TIME	TV SET	STATION AND CHANNEL		NAME OF PROGRAM (For Movie, please show Name of Movie.)														
		NAME	NO.		1	2	3	4	5	6	7	8	9					
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2:00 A.M.

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IF ANY VIEWING BETWEEN 2:00 A.M. AND 6:00 A.M., PLEASE GIVE DETAILS HERE.

If any questions, please call our toll-free phone number: 1-800-237-8611

**4:00
P.M.**

[illegible][illegible]

Comments:

If any questions, please call
our toll-free phone number:
1-800-237-8611

4:00 P.M.

SUNDAY

8	TV SET	STATION AND CHANNEL		NAME OF PROGRAM (For Movies, please show Name of Movie.)														
		NAME	NO.		1	2	3	4	5	6	7	8	9	10				
41																		
42																		
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EVENING

2:00 A.M.

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IF ANY VIEWING BETWEEN 2:00 A.M. AND 6:00 A.M., PLEASE GIVE DETAILS HERE.

If any questions, please call our toll-free phone number:
1-800-237-8611

		TV SET		STATION AND CHANNEL		NAME OF PROGRAM (For Movies, please show Name of Movie)									
QUARTER-HOURS		0	1	NAME	NO.		1	2	3	4	5	6	7	8	9
MONDAY	6:00 A.M.	6	:00				1	2	3	4	5	6	7	8	9
	:15														
	:30														
	:45														
		7	:00				1	2	3	4	5	6	7	8	9
	:15														
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		8	:00				1	2	3	4	5	6	7	8	9
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		10	:00				1	2	3	4	5	6	7	8	9
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Comments: _____

If any questions, please call
our toll-free phone number:
1-800-237-8611

6:00
A.M.

TUESDAY

TIME	TV SET	STATION AND CHANNEL		NAME OF PROGRAM (For Series, please show Name of Series.)											
		NAME	NO.		1	2	3	4	5	6	7	8	9		
01 :00															
02 :15															
03 :30															
04 :45															
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40 :45															

Comments: _____

If any questions, please call
our toll-free phone number:
1-800-237-8611

4:00 P.M.

TUESDAY

TIME	TV SET		STATION AND CHANNEL		NAME OF PROGRAM (For Movie, please show Name of Movie.)	VIEWING POSITION									
	ON	OFF	NAME	NO.		1	2	3	4	5	6	7	8	9	
41						1									
42						1									
43						1									
44						1									
45						1									
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47						1									
48						1									
49						1									
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2:00 A.M.

WEDNESDAY

61						1								
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IF ANY VIEWING BETWEEN 2:00 A.M. AND 6:00 A.M., PLEASE GIVE DETAILS HERE.

If any questions, please call our toll-free phone number:
1-800-237-8611

6:00
A.M.

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4	TV CITY	STATION AND CHANNEL	NAME OF PROGRAM (For Events, please show Name of Event.)
01	6:00		
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04	6:45		
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09	8:00		
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20	10:45		

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37	3:00		
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39	3:30		
40	3:45		

Comments:

If any questions, please call
our toll-free phone number:
1-800-237-8611

4:00 P.M.

WEDNESDAY

TV SET	STATION AND CHANNEL		NAME OF PROGRAM (For Movie, please show Name of Movie)
	NAME	NO.	
41			
42			
43			
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EVENING

2:00 A.M.

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PLEASE MAIL DIARY TOMORROW
YOUR VIEWING INFORMATION IS URGENTLY NEEDED

If any questions, please call
 our toll-free phone number:
1-800-237-8611

• IF THIS TV IS CONNECTED TO A VIDEO CASSETTE RECORDER (VCR):

1. Please write TV programs recorded during the diary week on the daily diary pages and write "VCR" next to the name of the program. Draw a line down under the program name to show time when recording stopped.
2. If watching a program while recording a **different** program, enter the program watched on the daily diary page and write the program being recorded in the box below.

DAY DIFFERENT PROGRAM RECORDED	START TIME	STOP TIME	CHANNEL NAME/NO.	NAME OF PROGRAM

And Is any person living in your household (including yourself) employed by any of the following:

	YES	NO		YES	NO
TV station?	1 <input type="checkbox"/>	2 <input type="checkbox"/>	Cable TV network?	1 <input type="checkbox"/>	2 <input type="checkbox"/>
TV network?	1 <input type="checkbox"/>	2 <input type="checkbox"/>	Cable TV system?	1 <input type="checkbox"/>	2 <input type="checkbox"/>

Please... Use the space below to comment about TV in general. You may wish to comment about local programming, such as news, etc. Also, you may wish to list favorite programs which you missed watching.

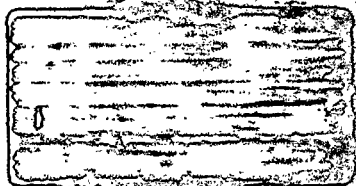
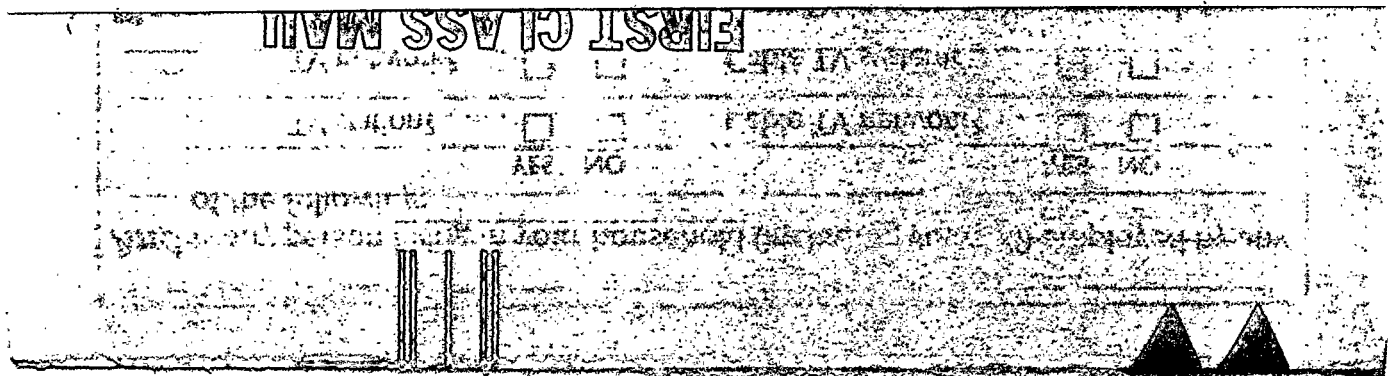
If you didn't receive a diary for each TV, please use this diary to write in viewing for all sets. If you have 2 sets tuned in at the same time, please supply the following information at the bottom of the page for the day...or attach a separate sheet of paper:

- DAY AND TIME (start and end time)
- NAME OF PROGRAM or MOVIE
- CHANNEL NAME AND NUMBER
- PERSONS WATCHING TV

WHEN YOUR DIARY WEEK IS OVER:

Now that you have completed your diary, just moisten the gummed edge below, fold it over part of the TV on the cover and seal it. Please drop your diary in the mail right away. Postage is attached.

FOR RETURN MAILING
MOISTEN HERE AND SEAL THIS FLAP TO COVER

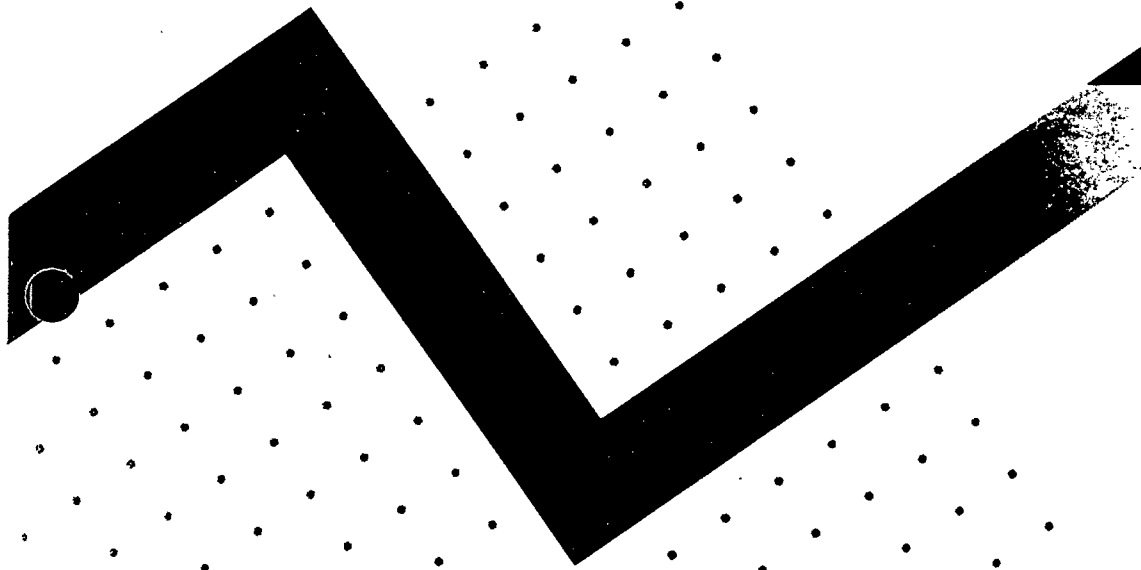


Reference Supplement

1989-90

*A. Cooper -
MPAA
JCS # 13-X*

Nielsen Station Index



Methodology
Techniques and
Data Interpretation

Nielsen



Accredited by
Electronic Media
Rating Council®

WHAT EMRC ACCREDITATION MEANS

The Nielsen Station Index Service has been accredited by the Electronic Media Rating Council since September 1965. To merit continued EMRC accreditation Nielsen Media Research; (1) adheres to the Council's Minimum Standards for Broadcast Research, (2) supplies full information to the EMRC or its auditors regarding all details of its operations, (3) conducts its measurement services substantially in accordance with representations to the subscribers and the Council and (4) submits to, and pays the cost of, thorough on-going audits of the Nielsen Station Index operations by CPA firms engaged by the EMRC. In addition to sizable annual audit charges, Nielsen Media Research provides office and file space for EMRC auditors as well as considerable staff and computer time involved in various aspects of these inspections.

Further information about the EMRC's accreditation and auditing procedures can be obtained from Executive Director, Electronic Media Rating Council, 509 Madison Avenue, Suite 1112, New York, NY 10022.

Executive Director
Electronic Media Rating Council

SECTION A
Diary Markets

SECTION A.I.B.

SAMPLE DESIGN

Samples of television households are used to produce estimates of TV audiences in NSI markets. Sample sizes specified for NSI markets are chosen to reflect the relative importance of the business decisions made with local television audience estimates, and the problem of measuring a particular market or market types. Generally, sample sizes are related to market size with larger samples used in larger markets. Market sample sizes are specified by DMA for markets having a DMA and by SMA or NSI area for markets without a DMA. (See Sections A.I.A. and C.I.D. for descriptions of DMA, SMA and NSI areas.)

For sampling purposes, the counties in each NSI market with a DMA are divided into one or more geographic areas or strata. Usually the Metro counties comprise one stratum, all non-metro counties in the DMA are a second stratum and the NSI area counties not in the DMA are a third stratum. In special cases the Metro or remainder DMA areas may be divided into two or more strata.

The specified sample for a market is allocated to the sampling strata comprising the market. The sample allocation procedure varies by market type and survey period with different procedures used for DMA and non-DMA markets. When all DMA's are measured, i.e., the November, February, May and July survey periods, the specified sample size for a market is allocated to the sampling strata within the DMA. For survey periods when only a limited number of markets are measured, i.e., October, January and March, sample is also allocated to the stratum comprised of NSI area counties not in the DMA.

The specified sample for a market will be allocated to the sampling stratum level in proportion to the number of television households.

For October, January, and March, sample for counties in the NSI area but outside the DMA will be determined using optimum allocation. Optimum allocation is based on the weighted standard deviation of viewing within the NSI area. Sample for those counties within the DMA will be allocated to the sampling stratum level in proportion to the number of television households.

In some markets, the sample allocated to the Metro sampling stratum is increased in order to meet minimum sample size requirements. Reductions may be made to the sample allocated to the non-metro sampling stratum.

During the October, January and March survey periods, sample is also allocated to the sampling stratum consisting of non-DMA counties. The determination and allocation of sample is done as follows:

1. The proportion of the NSI area sample allocated to the DMA and non-DMA stratum is determined using the optimum allocation procedure, e.g., 85% of the NSI area sample is allocated to the DMA and 15% to the non-DMA stratum.
2. The NSI area sample size is determined using the specified DMA sample size and the proportion of the total NSI sample allocated to the DMA, e.g., if the specified DMA sample size is 500 and the DMA proportion is 85%, the total NSI area sample is $500/0.85 = 588$.
3. The non-DMA stratum sample size is determined by subtraction, e.g., $588 - 500 = 88$.

For markets without a DMA, but with an SMA or Metro area, a sample size is specified for the SMA or Metro area. Such areas consist of one or more counties assigned to a DMA sampling stratum. If the SMA or Metro area expected in-tab sample equals or exceeds the specified sample, then the DMA sampling stratum sample size is used. If the SMA or Metro expected in-tab is less than the specified sample, then the stratum is divided into two strata, with the specified sample used for the SMA or Metro stratum.

SECTION A.I.B. (Cont'd.)

To illustrate:

Sampling Stratum Counties	Estimated TV Households	Share of Sample	Expected In-tab	
			Example A	Example B
A	95,360	49.2%	246	148
B	72,470	37.4	187	112
C	16,680	8.6	43	26
D	9,350	4.8	24	14
Stratum Total	193,860	100.0%	500	300

If county A is an SMA with a specified sample size of 200 and the DMA sample allocated to the stratum is 500, (Example A) then the SMA expected in-tab sample is 246 and is greater than the specified SMA sample. ($500 \times 49.2\% = 246$)

If the DMA stratum sample size were 300 instead of 500 (Example B), then the SMA expected in-tab sample is less than the specified sample size ($300 \times 49.2\% = 148$) and the original stratum is divided into two strata consisting of the SMA (county A) and the remaining counties (B, C and D) with a sample of 200 specified for county A.

A similar procedure is used for non-DMA markets without an SMA or Metro area. Each county is part of a DMA market sampling stratum. For such stratum, estimates are made of the expected in-tab sample for each county. If the sum of the expected in-tab samples for non-DMA market counties exceeds the specified non-DMA market sample, then the stratum sample size is used. If the sum of the expected in-tab sample is less than the specified sample size, then the DMA stratum are divided with additional sample specified for the non-DMA market counties in order to achieve the specified sample size.

Clients may purchase additional target in-tab households to be added to the sample at prices quoted by NSI, provided requests are made at least five months prior to the start of a measurement period. When such additions are made, a note will be placed on Page 3 of the appropriate VIP showing the sponsor, the size of the added sample and the geography in which it is to be distributed.

SECTION A.I.C.

SAMPLE FRAME

A sample frame is a list, file, or some other way of identifying the sampling units that have a chance of being selected in the sample. It provides a means for selecting the sample units. The frame used in all NSI markets is a file of telephone numbers including both listed and unlisted households. This file, known as a total telephone frame (TTF), is maintained by Nielsen and updated three times each year. Households without telephones are excluded from the frame and have no chance to be selected for the sample. Households with more than one telephone have a greater chance of selection than households with one telephone number.

National Data Center (NDC), Lincoln, Nebraska, compiles computer files of telephone households included in alphabetic and street address telephone directories. Each listing in the file includes a name, address and telephone number. The file is revised continually as new directories are published. NDC regularly supplies its complete file of telephone listings to Donnelley Marketing, Nevada, Iowa, which maintains the file. Donnelley assigns a state and county designation to each listing.

Three times per year, Donnelley provides Nielsen with counts of listings by telephone exchange and zip code. For exchanges with listings in more than one county, counts of listings are provided for each county.

A computer file of all exchanges operating in the U.S. is obtained from Bell Communications Research (BCR) three times per year. The exchanges in the Donnelley file are compared to the exchanges in the BCR file. Those found in the Donnelley file, but not in the BCR file, are considered either errors or no longer in service and are not included in the frame. Exchanges in both the Donnelley and BCR files are included in the frame and assigned to the county containing the largest number of listings for the exchange. For each exchange in the frame, blocks of 100 consecutive telephone numbers are formed and identified by the first two digits of the telephone number suffix, e.g., 202-555-12NN (area code-exchange-block). It is assumed that none or a very small percent of the numbers in blocks without listings in Donnelley's file are household numbers and all such blocks are deleted from the frame. Any household numbers in such blocks have no chance to be selected for NSI samples.

Exchanges that are only in the BCR file are considered to be either non-residential (business, government, etc.) or so new that no residential households are assigned to them and are therefore not included in the frame.

The frame consists of Primary Sampling Units (PSU's) of blocks of 100 numbers with one or more listings for exchanges in both the Donnelley and BCR file.

Each block (PSU) is assigned to a sampling strata (described in section A.I.B.) based on the county assigned to the exchange. The blocks are stratified geographically within strata to provide a proportionate distribution of telephone numbers within the sampling strata.

SECTION A.I.D.
SAMPLE SELECTION

The selection of samples for each market is done in two phases:

1. The selection of a large first phase sample to be used to identify listed and unlisted telephone numbers.
2. The selection of samples of telephone numbers from the first phase sample to be used as the final sample for obtaining viewing information.

First Phase Sample

An initial sample size is determined for each sampling stratum by dividing the specified in-tab sample size (see Section A.I.B.) by an estimated achievement rate for each stratum. The estimated achievement rates used are based on experience from prior year measurements reflecting both listed and unlisted sample return rates. The initial sample size is doubled to obtain a first phase sample size for each stratum. This increase is made to: 1) provide for possible changes in the specified DMA sample size, 2) allow for more recent return rate data in developing final achievement rates, and 3) provide for a more accurate estimate of the proportion of listed and unlisted samples.

To illustrate:

<u>DMA Sampling Stratum</u>	<u>Measurement Specified In-tab</u>	<u>Estimated Achievement Rate</u>	<u>Initial Sample Size</u>	<u>First Phase Sample</u>
Metro	450	.35	1,286	2,572
Non-Metro	200	.30	667	1,334

If for a measurement the Metro stratum specified in-tab for a DMA is 450 and the estimated achievement rate is .35, then the initial sample size is 1,286 ($450/.35 = 1,286$). The first phase sample size is twice as large, 2,572 ($1,286 \times 2 = 2,572$).

For the non-Metro stratum, the initial sample size is 667, i.e., ($200/.30 = 667$) and the first phase sample is 1,334 ($667 \times 2 = 1,334$).

A sampling interval is determined by dividing the number of PSU's in the strata by the first phase sample size. A random number between 1 and the sampling interval is used to select the first PSU and the remaining PSU's are selected systematically. For each selected PSU, the telephone number is completed by appending a two-digit random number. Because all PSU's are of equal size, each telephone number has an equal chance of selection.

For example:

Assume a sampling stratum contains 8,000 PSU's (hundred number blocks) and the first phase sample is 2,000. The sampling interval is $4 = 8,000/2,000$, i.e., one of every four PSU's will be selected. If the starting random number is 3, then PSU's 3, 7, 11, 15, etc., would be selected. For each selected PSU, a two-digit random number is appended to the PSU to complete the sample telephone number. If PSU 404-652-37 is selected and the two-digit random number is 64, then telephone number 404-652-3764 is included in the sample.

SECTION A.I.D. (Cont'd.)

The first phase samples of telephone numbers for all sampling strata are sent to Donnelley and matched to Donnelley's file of approximately 67 million listings*, and names and addresses are provided for the sample telephone numbers in Donnelley's file. This matching process results in two files: telephone numbers that match (listed households) and telephone numbers that do not match. The unmatched numbers include unlisted households. Donnelley then matches the unlisted telephone numbers against a file of business telephone listings. The file, which contains approximately 7.0 million listings and is updated annually, is obtained from Market Data Retrieval, Westport, CT. Those telephone numbers that match the business file are flagged. The listed and unlisted telephone numbers including names and addresses for listed numbers are returned to Nielsen in their original selection sequence.

First phase samples are selected three times per year with the first sample used to select final samples for the October and November measurement periods, the second sample used to select final samples for January, February and March and the third sample used to select final samples for May and July. All numbers selected for a first-phase sample are used for only one final sample.

Selection of Final NSI Samples

The matched and unmatched first-phase sample files are sequenced within sampling strata with the listed numbers preceding the unlisted numbers. Separation by listed and unlisted status results in a proportionate selection of listed and unlisted telephone numbers for the final sample.

For each sampling strata, a gross sample size of telephone numbers needed to yield the specified in-tab sample size of household is estimated. The gross sample size estimate, similar to the initial sample size, is determined by dividing the specified in-tab by an estimated achievement rate for each stratum. The estimated achievement rates used for the final NSI samples are similar to those used for the initial sample except they (1) include return rates from more recent NSI measurements, and (2) are based on the proportion of listed and unlisted samples selected from the first phase sample.

For example, if the Metro stratum specified in-tab is 450 (see example on previous page) and the new estimated achievement rate is .37, then the final NSI sample size is 1,216 ($450/.37 = 1,216$). The final NSI sample is systematically selected from the first phase sample by determining a sample interval (first phase sample size divided by the final gross sample size) and using a random start. The selection procedure also assigns the sample telephone numbers to weeks.

After the final NSI sample is selected, a final computer edit is run. This edit eliminates all unlisted telephone numbers from 100 number blocks containing only one Donnelley listing plus all unlisted numbers that matched Donnelley's business file. In addition, in all non-metered markets all unlisted telephone numbers from 100 number blocks containing two to nine Donnelley listings are eliminated.

*A small percentage of telephone numbers are in Donnelley's file more than once. The name and address for the first number matched to the sample number is selected for the first phase sample. All additional names and addresses for such numbers are not included in the first phase sample.

SECTION A.I.E.

MEASUREMENT METHODS

Telephone calls are made to all sample telephone numbers in the areas surveyed for each measurement interval. Prior to the telephone call a postcard is mailed to households whose numbers are listed in the telephone directory. The purpose of the telephone call is to enlist the cooperation of the household for the survey, verify names and addresses among listed number households, and obtain names and addresses from unlisted number households. During the telephone call respondents are asked the number of TV sets in the household,

SECTION A.I.E. (Cont'd.)

whether any sets are connected to a cable television service and the name of the cable service. Respondents are also asked the race of the household in 76 DMA's that have a black household universe estimate of at least 10% of the television household universe estimate, or at least 50,000 black households. Also respondents are asked what language is used most often in the household in 29 DMA's where at least 10% of television households, or at least 50,000 Hispanic households, are estimated to be Hispanic. Interviews are administered in the Spanish language as required.

Business or other non-households, persons living in group quarters and temporary or seasonal homes which may be identified as a result of the telephone recruitment call, or by notations in returned diaries, are removed from the sample. Thus, for all practical purposes, the measurement sample is restricted to primary households. Military base homes having telephones are included in the sample.

A diary for each television set in operating condition is mailed to households that agree to cooperate in the survey. For listed telephone households, diaries are also mailed to refusal households, and to households not answering five telephone calls spread over at least two days at different times of day and evening. A monetary incentive is included with the diary. In order to reduce the incidence of non-contacts in the unlisted samples, 10 attempts are made to contact each unlisted number.

Sample households, reporting during the telephone recruitment call that they will be away or will not have an operable television set during the survey week, are sent diaries in the event conditions change.

Households volunteering information during the telephone recruitment call that a household member is employed in the media industry are removed from the sample and are not mailed. Also, diaries for any household answering "yes" to a diary question regarding TV station, TV network, cable TV network, or cable TV system employment are also removed from the sample.

In a small number of markets, the same sampling procedures are used to select a buffer sample of telephone numbers. This buffer sample is used to increase the amount of Black households included in the final NSI sample. The size of the buffer is based on the estimated number of additional Black households needed to achieve the universe penetration for the given market and is calculated using historic results. The entire buffer sample is called using identical procedures and only those households identified as Black are mailed a diary. All Non-Black households from the buffer are excluded from the final sample.

Simple basic instructions in the diary aid accurate and complete entries. The diary asks for station or channel name, channel number, and program viewed for five minutes or more. In addition, instructions are given to enter viewing by household members and visitors along with age, gender and hours worked per week for each viewer.

Diaries returned to Nielsen are carefully examined following established procedures. Identification of viewing is based on agreement between the channel name and channel number as provided by the household. Should no agreement be found, program name is used to determine which of the other two elements is credible. Either the channel name or channel number is then changed to reflect the proper credit for the entry. Diary information is introduced to the computer by the key entry of channel name (call letters).

To gather information on Pay TV subscription, the NSI diary contains the following question:

Does this TV receive any channels which are offered for extra monthly fees?

If the diarykeeper marks "Yes", an instruction asks for a box to be checked for one or more of five pay TV channels listed. The names of other pay TV channels can also be written in a space provided for that purpose.

All NSI diaries contain a question as to whether "This TV is connected to a video cassette recorder (VCR)".

Home VCR recordings of television programs are credited for the time of recording, but are not credited for the time of playback. Television set usage for video games, computers, and the like is excluded.

SECTION A.I.E. (Cont'd.)

The following rules are applied to crediting viewing of home recordings:

<u>1. Condition</u>	<u>Credit</u>
Program A recorded Program A simultaneously viewed	HUT and Program A
2. Program A recorded Program B simultaneously viewed	HUT, Program A and Program B
3. Program A recorded, but no simultaneous viewing	HUT and Program A
4. Playback Program A	No credit to HUT or any program
Playback Program B	No credit to HUT or any program
Play pre-recorded material	No credit to HUT or any program
Play "home made" tapes	No credit to HUT or any program

VCR recording is included in HUT and program because a TV tuner is being used and it is assumed that whatever is being recorded will be viewed at a later time.

Increased monetary incentives and diary week telephone calls are used among households determined to be Black or Spanish in the diary recruitment call. Bilingual English/Spanish language diaries, explanatory letters, and brochures are sent to Spanish language households based on responses from the telephone recruitment call. Final classification of Black and Spanish households is based on responses to the questions in the diary. If the questions in the diary are not answered, final classification is based on the responses from the telephone recruitment call. The purpose of these special procedures among Black and Spanish households is to increase diary returns to approximate levels of other sample households in the same area.

A reminder is sent to each household asking them to begin diary entries on Thursday. In households with one or more sets connected to a cable television service carrying 60 or fewer channels, the reminder is in the form of a letter. A list of all channels carried by the cable television service is included with the letter to assist households in diary entry of channels tuned. All other households are sent a post card. At the end of the diary week a post card is sent to all homes to remind them to return the diary.

SECTION A.I.F.

RATE OF RESPONSE

Table 3 of each VIP provides an estimate of Initially Designated Households (Estimated TV Households) and a count of In-tab Households for various geographic areas. Initially designated households are an estimate of the number of television households in the initial sample of telephone numbers selected for a given geographic area. Not all telephone numbers are television households; some are businesses, non-TV households or not in service.

The response rate for a geographic area is the ratio of in-tab households to the estimated initially designated households. For example, if for a DMA there were 550 in-tab households and 1000 initially designated households in the initial sample, the response rate would be 550/1000 or 55%.

As described in section A.I.D., samples of telephone numbers are initially selected and sent to Donnelley to identify numbers contained in their computer file of names, addresses and telephone numbers compiled from telephone directories. All numbers in the Donnelley file are designated as "listed numbers". Some of the numbers designated as listed are no longer households at the time of the survey, since some households move between the time the directory is compiled and the survey date. Numbers for such households may be disconnected. In addition, many of the unlisted numbers are not households. The number of initially designated households is estimated separately for listed and unlisted numbers.

SECTION A.II.A.
COMPUTATION METHODS

Audience estimates reported in the VIP are based on a sample of TV households and persons in TV households. Weights are applied to the sample households and persons to:

- Adjust for different sampling rates used among the sampling strata within a DMA and outside a DMA.
- Attempt to compensate for households in the universe that are not included in the sampling frame.
- Attempt to compensate for differences in response rates among various types of households.

1. Computation of Household Weights

A series of ratio estimates are used to adjust an initial household weight so that the weighted sample is in balance with the universe for various household characteristics. An initial household weight is computed by week for each projection area which may be an individual county, a split county or a combination of counties. Combinations of counties are made by grouping the relatively small counties with other counties to form projection areas of sufficient size for individual week weighting. These county groupings are made within the same sampling stratum. The initial weight is equal to the ratio of the estimated TV households to the in-tab sample for the grouping. Once the initial weights are determined, the weights are adjusted using an iterative procedure so that the weighted sample balances with the universe for various controls.

a. Controls

The controls consist of household and geographic categories. Except for geography, controls are used at the DMA level or at the metro and remainder DMA levels. The number and type of controls vary by market and are determined by expected in-tab DMA sample sizes and the relative importance of some controls such as Black, Spanish or Cable. Geographic controls are applied separately by week. In DMA's with weekly Preview Reports, all household controls are applied separately by week.

(1) Household Characteristics (DMA level)

Race: Black, Not Black (selected DMA's)

Cable: Yes, No (all DMA's between 10% and 90% cable penetration)

Spanish: Yes, No (selected DMA's)

Presence of Non-Adults: Any under 18, None (all DMA's)

(2) Geography (by week)

Individual counties, county groups or split counties.

b. Adjustment Procedure

The weighting adjustment procedure is an iterative process by which each household is assigned a weight such that the sum of the weights agree within 1% of each control. In each iteration, the sample is adjusted for the household controls and then the geographic controls.

The weighting adjustment is a ratio estimate:

$$r = \frac{N}{W}$$

where: N = control universe estimate

W = sum of the household weights from the previous adjustment for households included in the control category

The weighting adjustment is applied to each household included in the control category. For example, if the adjustment factor for a cable household is 1.03, then the weight for each household with cable is multiplied by 1.03.

SECTION A.II.A. (Cont'd.)

An iteration will consist of sequentially adjusting for each control once. The household weights are then summed for each control and compared to the control universe estimate:

$$d = \frac{s-u}{u}$$

where: d = absolute relative difference
s = sum of the household weights for a control
u = control universe estimate

The process stops when d is less than 1% for all controls or when maximum number of iterations are completed.

The final household weights are then compared to the initial household weights:

$$r_j = \frac{WF_j}{W_{lj}}$$

where: r_j = ratio for household j
 WF_j = final weight for household j
 W_{lj} = initial weight for household j

If r_j is larger than 4.0, the weight for household j is set to $4.0 \times W_{lj}$.

If r_j is less than 0.25, the weight is set to $0.25 \times W_{lj}$.

2. Audience Estimates

Audience estimates are computed separately for each quarter-hour. Reported audience estimates are averages of appropriate quarter-hours, days and weeks.

a. Household

Household ratings are computed by summing the household weights of viewing households in the DMA (Metro) and dividing by the DMA (Metro) TV household universe estimates.

Household station totals are obtained by summing the household weights of all viewing households both within and outside the market's NSI area. See Section A.I.A., item 3, for additional detail on computation of station totals.

b. Demographic

Demographic audience estimates are made using a two-stage ratio estimation procedure for each of the following mutually exclusive age/sex categories:

<u>Children</u>	<u>Males</u>	<u>Females</u>
2-5	12-17	12-17
6-11	18-24	18-24
	25-34	25-34
	35-49	35-49
	50-54	50-54
	55-64	55-64
	65+	65+
		Working

SECTION A.II.A. (Cont'd.)

Persons projected audiences for a DMA are derived by:

- (1) Summing the household weights for each viewing person in the age/sex category.
- (2) Summing the household weights for each person in the age/sex category.
- (3) Computing the ratio of first stage projected viewing (step 1) to projected in-tab persons (step 2).
- (4) Applying the ratio (from step 3) to the DMA universe estimate for the age/sex category to derive the final projected viewing persons.

$$Y = \left[\frac{\sum_{i=1}^m W_i a_i}{\sum_{i=1}^m W_i} \right] M$$

where: Y = DMA projected viewing persons for an age/sex category

W_i = household weight for i^{th} person

a_i = 1 if the i^{th} person is viewing; 0 otherwise

m = number of persons in the DMA for the age/sex category

M = DMA universe estimate for the age/sex category

Note: In selected markets, this ratio estimation procedure is performed separately for the Metro and remainder DMA areas.

For the October, January and March survey periods, when some DMA's are not measured, persons projected audiences for some markets are derived separately for the area outside the DMA. In some instances, however, the outside areas may be included with the DMA's for projection purposes.

Station totals (see definition on page 3) reported in VIP are derived by summing projected viewing persons both in and outside the DMA for the appropriate age/sex categories. DMA ratings are derived by summing the DMA projected viewing persons for the appropriate age/sex categories and dividing by the corresponding universe estimate.

3. Rounding

Household and Persons audience estimated in the VIP are reported as average quarter-hour DMA ratings, station totals, shares and daypart cumulative audiences for various combinations of quarter-hours, days and weeks. To facilitate the computation of reported audience estimates, projected audiences are computed to units by quarter-hour for each county measured. Separate persons projected audiences are computed for the mutually exclusive age/sex categories listed in Item 2b on page 16.

All computations are done using audience estimates carried to units with rounding performed as the last step of the computation procedure. For this reason, reported audience projections may differ from the sum or average of the reported component parts. For example, the rounded reported projection for 18-49 plus 50+ may not equal the reported projection for 18+. Although rounding at the last step may result in occasional minor differences, it yields more precise estimates than rounding prior to summing the component parts or using a procedure that eliminates the minor differences.

SECTION A.II.A. (Cont'd.)

4. Missing Data

Some households return otherwise usable diaries which fail to provide complete age or sex information for all household members. When age and sex data are missing, the diaries are first inspected for information which might enable the diary to be logically completed. For example, if the cooperator fails to note the gender for a given person, such information can often be logically completed by reference to the name. When age information is not available in the diary, Nielsen makes an attempt to contact the household by telephone to obtain the data. When such contact is not successful, Nielsen has prepared reference tables from outside sources* that relate age and gender; the manner in which these tables are applied is illustrated by the following examples:

<u>Information Given</u>	<u>Unknown</u>	<u>Data from Age and Gender Tables</u>
Adult Male: Age 31	Age of Female (Apparently Wife)	Husband's age minus 3 years, or 28
Adult Male and Female: Ages 43 and 42, respectively	Age of "Grandpa"	Female's age plus 25 years, or 67
Adult Male and Female: Ages 33 and 32, respectively	Age of Other Person (Apparently Child)	Female's age minus 22 years, or 10

In cases where age and gender both are missing completely, the age of the head of house is estimated based on household size and random allocation to age groupings. The probability of assignment to a given age category is based on outside data. Ages of other persons in the household are estimated based on the estimated head of house age, using the table illustrated above.

Missing information on employment status for working women is completed by randomly assigning the unknown cases to work-level categories. These assignments are based upon the rate of employment obtained from an analysis of households providing such information.

Some households return diaries without audience composition information for some or all time periods; that is, the diaries are complete with respect to station call letters and channel identification for quarter-hours viewed, but the audience composition information is omitted. For single person households, viewing is attributed to that person. In all other households, viewing is randomly imputed to each household member using viewing probabilities obtained from a national sample of persons. Viewing probabilities vary by household size, age/sex and by time of day. Imputed viewing is the same for consecutive quarter-hours viewed to the same station for which audience composition is not provided.

The procedures outlined for processing the relatively small proportion of households returning diaries with missing information involve several assumptions. These assumptions are subject to limitations. However, Nielsen believes that the procedures described yield less bias than would be incurred by omitting the households from tabulation or by using other economically feasible alternatives. This type of imputation has been recognized by statisticians as superior to complete rejection of otherwise valid data**.

5. Accuracy

With respect to the accuracy of the demographic and audience composition information, the user is reminded that demographic information acquired from households is subject to response errors of a different type than those relating to the recording of viewing information. Such errors may be traced to the respondent's lack of knowledge or willingness to reply. The user is also reminded that sampling and non-sampling errors on low-level audience data are relatively high; i.e., often equal to or greater than the reported audience level. Differences and relationships between such data should not be interpreted as being meaningful. These data may be used in composite with audience estimates for other time periods and/or other markets, so that the composite error is correspondingly reduced.

It is also recommended that the interests of a user seeking precise audience estimates for time periods or audience segments with relatively low audience levels would best be served through special studies using specially structured samples disproportionately allocated to measure the segment of interest.

* U.S. Department of Commerce, Bureau of the Census, Current Population Reports, Series P20.

** As an illustrative reference see: United States Census of Population, 1970: General Population Characteristics, Accuracy of the Data, Appendix C, Pg. 10.

SECTION A.II.B.
CABLE TELEVISION

Households are classified as cable if any TV set in the household is equipped to receive a cable system; some multi-set households may not have all TV sets so equipped. Households which pay a fee to receive programs by means other than cable (i.e., Multi-Point Distribution, Subscription Television, Satellite Dish, etc.) are classified as non-cable households.

Nielsen endeavors to contact all cable systems to obtain cable system data including carriage, cable channel positions, communities and zips served, protection (if appropriate), former names of the system, etc. These data are used to assist in editing cable diaries clarifying entries where the household has elected to use cable channel numbers rather than air channel numbers. Viewing, to the extent practicable, is credited to the station which is the source of the programming (see non-duplication protection below). As with non-cable diaries, call letter and channel number agreement are the primary identifiers with program name used to ensure proper credit where necessary. In the case of a diary mention of viewing over a system not previously identified as operating locally, efforts are made to contact the system and collect system information prior to processing the diary. Subsequently, less than one-half of one percent of all diaries are processed with no system information.

Cable diaries are edited with due regard for protection policies affecting local stations. To facilitate the above editing, Nielsen notifies each broadcast station of non-duplication status prior to each major cycle. Based on information provided by stations, Nielsen contacts cable system operators by telephone for information or updates concerning any protection afforded the local stations against program duplication from outside sources. The crediting of program source will be as stated by the cable system operator. Nielsen does not guarantee the accuracy of information received and reserves the right to resolve conflicts based on its judgment of available information.

SECTION A.II.C.
MULTI-SET USAGE

In sample households reporting more than one TV set, the simultaneous use of more than one TV set does not increase the HUT*; the household is counted only once. In compiling station audiences, duplicate viewing entries to the same station are also counted only once; viewing entries for different stations, however, are counted for each station. As a result, the sum of the reported station ratings may equal or exceed the HUT, even where there are unreportable stations contributing audiences to the HUT. Thus, to the extent that multi-set households use their sets simultaneously and tuned to different stations, they tend to raise the ratings and shares of reportable stations in relation to HUT. Audience to stations not meeting the minimum reporting standards should not be sought by subtracting from HUT figures the sums of ratings shown for other stations.

*Television households in the Metro/DMA Area with a TV set turned on as a percentage of Metro/DMA Area TV households.

SECTION A.II.D. (Cont'd)

G. Determining the Start/End Times of Telecasts

When establishing start and end times, the following rules are applied:

1. Network program ends and another network program begins:

Use the start time of the second program to establish the end time of the first program.

2. Network program ends and a local or syndicated program begins:

Use the end time of the network program (including closing credits, network promos, commercials, etc.) to establish the start time of the local or syndicated program.

3. Local or syndicated program ends and a network begins:

Use the start time of the network program (including opening credits, network promos, commercials, etc.) as the end time of the local or syndicated program.

4. Local or syndicated program ends and another local or syndicated program begins:

Use the start time of the second program as the end time of the first program.

H. Determining Which Program Will Be Credited or "Plurality"

In selecting program name identifications for a quarter-hour, we will first determine start and end times per G.1-4 above. Then apply the following plurality rules:

1. When two programs air within a quarter-hour, the program which airs the longest is the program title used. In all cases, rounding seconds will occur prior to the application of the rules.

01-29 seconds - round down

30-59 seconds - round up

2. A technical off air of seven and one-half minutes or more within the quarter-hour, will be listed as "Off Air."

3. When three or more programs air within a quarter-hour, and one program lasts seven and one-half minutes or more, the quarter-hour will carry the name of the seven minute, thirty-second or more program.

If none of the programs lasted seven and one-half minutes or more, "various" will be assigned to the quarter hour.

I. GENERAL

NSI endeavors to identify reported station audiences by time periods with the name(s) of programs broadcast during these periods. Programming information is supplied by the stations (in each market) regarding their week-to-week program names and times of telecast. Client stations are, as a matter of contract, responsible for the accuracy of program names supplied to NSI.

In the event such information is sufficiently inaccurate to warrant special notation after publication, the station so responsible assumes the added costs for correcting such inaccuracies, should the retroactive change affect a previously published NSI regular analysis. Conversely, where misidentifications may be due to NSI processing, corrective steps will be taken without charge to the client(s) but shall be limited to appropriate bulletins being sent to all known recipients of the subject Viewers In Profile. In most cases, the reported inaccuracy will only affect the program averages reported in the Viewers In Profile and/or Metered Market Overnight and Weekly Analyses. However, viewing data in the time period section of the Viewers In Profile and weekly analysis and quarter-hour data appearing in the overnight analysis are generally unaffected.

All stations, client and non-client alike, are requested to supply program name information. Such information for week four is requested to be supplied in advance of week four telecasts. Stations are requested to wire or fax Nielsen of changes. However, in the event of non-compliance to NSI's request, other sources of program names are used to construct a station's program schedule.

SECTION A.II.D. (Cont'd)

Extraordinary care is taken to publish accurate program names, but publication of such names in the Viewers In Profile and/or Metered Market Overnight and Weekly Analyses must not be construed as certification of programs carried.

When questions arise concerning program names, please contact your Nielsen representative.

Guidelines for reporting program names are issued to stations from time to time in order to assure a uniformity of program identity within markets and across markets. NSI reserves the right to use its best judgment in unusual situations as to program name when the station-supplied program names differ from the actual program that is telecast. Nielsen also reserves the right not to re-issue published data tapes or diskettes.

SECTION A.III.A. (Cont'd.)

For each of the above market classes, Metro ratings will not be reported if a program does not air for the minimum number of weeks as per the following table. These minimums vary by the advance household sample estimate for the Metro area of the market.

<u>Market Class</u>	<u>Minimum Metro Advance Sample</u>	<u>Minimum Weeks for Reporting</u>	
		<u>Program Type</u>	
		<u>Mon.-Fri.</u>	<u>Individual Day</u>
A	640 or more	—	—
A	320 to 640	2 weeks	2 weeks
A	215 to 320	2 weeks	3 weeks
A	180 to 215	2 weeks	4 weeks
A	160 to 180	3 weeks	4 weeks
B	460 or more	—	—
B	230 to 460	2 weeks	2 weeks
B	155 to 230	2 weeks	3 weeks
B	130 to 155	2 weeks	4 weeks
B	115 to 130	3 weeks	4 weeks
C	300 or more	—	—
C/D	150 to 300	2 weeks	2 weeks
C/D	100 to 150	2 weeks	3 weeks
C/D	85 to 100	2 weeks	4 weeks
C/D	75 to 85	3 weeks	4 weeks

4. UNPUBLISHED OR DERIVED AUDIENCE ESTIMATES

NSI VIP Analyses are not intended to provide audience estimates for geographic areas or demographic categories other than those reported. In certain instances, in-tab sample sizes are not sufficient to yield reliable estimates of non-Metro Area or non-DMA Area audience levels. This consideration also applies to demographic audience estimates based on smaller increments of the in-tab sample than used to compile reported age/sex audience information. The user who by inference (or subtraction) calculates and uses such estimates should be aware of the relatively high standard errors of such estimates.

The derivation of unpublished audience estimates for time spans other than those reported, is not recommended due to the lowered sample base (approximately one-quarter per week of a four-week sample measurement) and relatively high sampling error.

It is recommended that a user interested in individual week and/or unreported geographic or demographic audience estimates, consult his NSI Sales/Service representative for information regarding a Special Analysis that might better serve his needs.

5. INTERPRETATION OF NSI VIP DATA ANALYSES

Omission of data for any particular program or station, with or without footnote reference to "Data Withheld", should not be construed as indicating any particular level of listening or viewing. In the interest of accuracy, data are withheld when they fail to meet NSI Reporting Standards for any of several reasons.

It should be recognized that NSI data do not provide a measure of program or artist popularity per se, because such data also reflect other factors; e.g., station popularity; time of day; season; weather; and competing, preceding and following programs. Similarly, NSI data do not provide a measure of station popularity or values per se, because such data also reflect other factors; e.g., program and artist popularity; time of day; season; weather; and competing, preceding and following programs.

SECTION B
Metered Market Services

SAMPLE DESIGN — AREA PROBABILITY FRAME METHODOLOGY**A. MASTER SAMPLE OF HOUSING UNITS****1. INTRODUCTION**

The Metered Market¹ Samples of television households are used to obtain audience estimates with measurable reliability of television programs for stations which originate in or are assigned for reporting purposes to Meter Market Areas (DMA). The samples selected in each metered market (cf., the sample for non-metered markets described in Section A.I.B.) consist of television households used exclusively for each Metered Market service. These samples are based on the 1980 Census data and recent estimates of housing inventory. In addition, the samples are updated with newly constructed housing units each year as described in Section B.1.B. Annual estimates of total households by county and sub-county are used to update the sample allocation each year as described in Section B.1.C.

Beginning in 1987 a new meter sample methodology was introduced by Nielsen Media Research. The sample design for the new metered markets is based on a sampling frame consisting of all active telephone households. The sampling procedures are described in Section B.II.

The text provided on the following pages is primarily confined to sampling and measurement techniques employed in reporting metered samples. Prior sections in this Reference Supplement deal with the methods used to specify and measure diary samples. Since the metered markets also use diary samples (in addition to metered samples) primarily for gathering and reporting TV persons audience information, the reader may assume that the same methods described in prior sections also apply to the metered markets except where differing explanations are offered. Diary samples are selected from the Total Telephone Frame in Metered Market DMA counties and in the remainder NSI (non-DMA) counties.

2. THE MASTER SAMPLE DESIGN

The sample design of the meter market samples is based on 1980 Census and/or updated Census estimates and consists of selecting a Master Sample of housing units from the entire DMA. Each DMA sample is selected using a multi-stage area probability design. The sample design includes several levels of stratification and uses controlled selection to optimize the desired distribution of the sample at each stage of selection.

a. Stratification

The counties comprising the respective DMA are formed into a Primary Area in which all counties are included with certainty. Census Bureau defined Block Groups (BGs) and Enumeration Districts (EDs) are stratified by county or sub-county and within county by percent minority and percent of households with children. A total of four minority and three child household levels are used. Any county in the DMA having 10% or more of the total DMA housing units is also stratified into sub-county areas. Each sub-county contains a minimum of 5% of the total DMA housing units.

The purpose of the stratification is to help insure that the samples selected more closely match the population of these geographic and population characteristics.

b. Sample Selection

Controlled selection is used to determine the desired number of sample housing units to select from each strata. Within each strata, the desired sample of Block Groups and Enumeration Districts are systematically selected. The controlled selection method insures the selected sample areas match closely to the 1980 Census or updated estimates for the specified characteristics.

Within BGs the Census provides individual "block statistics" which includes housing unit counts. Blocks are selected in a manner similar to BGs, i.e. the blocks within the BG are listed, cumulative housing units counts are obtained for each block and sample block is randomly selected with probability proportionate to the number of housing units in each block. Small blocks are combined with adjacent blocks before selection; consequently, more than one block may be selected.

¹These currently are the New York, Los Angeles, Chicago, San Francisco-Oakland, Philadelphia, Detroit, Boston, Washington D.C., Dallas-Ft. Worth, Houston, Miami-Ft. Lauderdale, Denver and Atlanta markets.

b. Sample Selection (continued)

The sample selection to this point is done by Nielsen statisticians in the office. The remaining sample operations are carried out in the field by persons trained and supervised by Nielsen's Statistical Research Department.

In rural counties in the DMA, EDs are selected for which block statistics are not available. The procedures are:

- (1) Using Census maps, the Nielsen Statistical Research field surveyor subdivides the ED into "pseudo-blocks" using streets, railroads, rivers, etc. as boundaries. The "pseudo-blocks" are then numbered in a geographic sequence, using a predetermined starting point.
- (2) The housing units are counted in each block and cumulated. The sample block is selected based on a predetermined random number. This step is also required for sample areas consisting of BGs.

The final stage of selection is the location and selection of the sample housing units. The Statistical Research surveyor enumerates each housing unit in the sample block or ED. In rural areas, without street addresses, the surveyor usually maps the area showing the location of each housing unit. Mailbox diagrams and floor plans are also used for multi-unit structures.

In the metered samples the number of housing units selected per neighborhood is determined with probability proportionate to size. The measure of size is the original estimate of housing units reported for the area. The number of sample housing units selected is equal to the number of housing units the surveyor enumerated, divided by the measure of size. Generally, one sample housing unit per neighborhood was selected; however, in some areas where the survey count differs from the original estimate, additional sample housing units may be selected, or no sample housing unit is selected. The selected housing unit is based on a predetermined random number for the area.

Besides listing the predesignated sample housing unit in each sample segment, a number of housing units following the predesignated housing unit are listed and reserved as substitutes in the event the predesignated sample household refused to cooperate.

3. SAMPLE DESIGNS FOR MARKETS SELECTED AFTER THE 1980 CENSUS SAMPLE DESIGN

The sample designs for the following markets are identical in procedures to the 1980 Census Sample Design except for the differences noted below.

a. Stratification

(1) Houston

In addition to the three child household levels, four levels for Spanish and four levels for Black are included.

(2) Miami-Ft. Lauderdale

In addition to the three child household levels, four levels for Spanish and four levels for Black are included.

(3) Denver

There are five levels for child, four levels for median age of persons and three levels for Spanish.

(4) Atlanta

There are five levels for child, four levels for median age of persons and six levels for Black.

b. Sample Selection

The samples for the Houston, Miami, Denver and Atlanta markets are selected systematically from a frame in which the strata are ordered in a hierarchic serpentine manner within and between counties. This ordering along with the stratification of PSUs, ensures that the selected sample areas match closely the population for the specified geographic and population characteristics.

SECTION B.I.B.
SAMPLE UPDATING

This section describes the procedures used to introduce newly-constructed housing units into the Master Sample each year. The objective is to give all new housing units the same chance of being included as the original sample of housing units thus maintaining the representativeness of all housing units.

In the metered market areas, nearly all residential new construction requires a building permit. The Census Bureau obtains data on the number of housing units authorized for construction by each building permit office in the United States. This information is purchased by Nielsen for use in updating the Master Sample to include samples of newly-constructed housing units. The building permit data is obtained by month and processed throughout the year. New construction updating is done more frequently in faster growing DMAs.

Selection of newly-constructed housing units is done as follows:

- a. The building permit offices are listed alphabetically within each of the sample counties.
- b. The number of housing units authorized for construction is obtained for each building permit office and cumulated.
- c. The cumulated housing unit counts are systematically sampled using the original sampling rate used for the DMA Master Sample. This work is done in the Nielsen office.
- d. Statistical Research Department surveyors are sent to the selected building permit offices. In each office the surveyor systematically arranges the permits (usually by date), determines the randomly selected permit and identifies the sample housing unit(s) together with the geographic location. Similar information is obtained for additional new housing units to be used as substitutes in the event the selected household refuses to cooperate.
- e. The surveyor obtains the address or the geographic description of the sample housing units and locates these units on a map. Housing units still under construction or not yet started remain in the sample. The construction status of these units is checked periodically for completion at which time the units are eligible for inclusion in the Master Sample.

SECTION B.I.C.
OPERATIONAL SAMPLES

As stated above, 1980 Master Samples provide the housing units for the metered market operational samples.

Estimates of the number of housing units are made annually for each county in the United States. For counties which are divided into sub-counties, estimates are made at the sub-county level and laced to the county totals. The county allocation of specifications is also done at the sub-county level where applicable. For the counties in each metered market area, the county share of housing units is computed by dividing each county's respective housing unit estimate by the total DMA housing unit estimate. The county shares are then multiplied by the desired metered market sample size to determine the number of sample housing units to be specified for each county. If a county accounts for an increasing or decreasing share of all housing units in the market area, it will also account for an increasing or decreasing share of the metered operational sample housing units.

Through the procedures of sampling new construction and periodic updating via household and housing unit estimates, growth and population shifts are reflected in the metered markets.

SECTION B.I.C. (Cont'd)

The total sample size specified for the metered markets as of July 1989 is 680 for New York, 655 for Chicago, 647 for Los Angeles, 687 for San Francisco-Oakland, 610 for Philadelphia, 550 for Detroit, 519 for Boston, 598 for Washington, D.C., 615 for Dallas-Ft. Worth, 665 for Houston, 705 for Miami-Ft. Lauderdale, 600 for Denver, and 535 for Atlanta. This represents a sample of housing units, of which some units may be vacant, non-TV, non-phone (and unlisted phone) households, etc. Households with persons employed in advertising or media fields are excluded from the sample. Due to systematic turnover, replacement of sample homes, as well as normal turnover, some households will also be temporarily uninstallable; i.e., outstanding while the field staff seeks the households' cooperation for meter installation. As a result of the above, the number of TV installable households as of July 1989 is approximately 565 for New York, 535 for Chicago, 540 for Los Angeles, 505 for San Francisco-Oakland, 510 for Philadelphia, 405 for Detroit, 435 for Boston, 440 for Washington, D.C., 405 for Dallas-Ft. Worth, 405 for Houston, 540 for Miami-Ft. Lauderdale, 405 for Denver, and 410 for Atlanta.

Due to non-cooperation, predesignated households specified for installation (referred to as "basics") in metered markets may be substituted with "alternate" households. Such alternates must match the basic with respect to TV ownership and child/no child (child defined as a household member under 18 years of age). Effective June 1, 1983, all specifications issued for normal turnover must also match the cable/non-cable status of the originally specified Basic household. Beginning with Quarter 3 of 1984 Forced Turnover, the signed alternate must match the child/no child and cable/no cable status of the originally specified basic households. Additional sample specifications may be used due to divulgence of the sample home or unsafe sample neighborhood and other such reasons to prohibit using a sample point.

The Meter Sample is a continuing sample which is systematically updated. Use of a continuing panel has both advantages and disadvantages. For example:

- Expenditures for a sample selection technique are warranted that in many cases would be uneconomic for samples to be used but once.
- A continuing panel provides greater accuracy for trend information.
- A continuing panel permits producing certain types of special analyses otherwise unobtainable, such as measurements combining several programs and several survey periods.

Disadvantages:

- Households which cooperate over a period of time may be or may become less representative of the universe than one-time-only cooperators.

In the opinion of Nielsen, the advantages of a continuing panel (provided it is systematically updated) outweigh the disadvantages.

Nielsen exercises supervision over field reps in an effort to detect any performance which departs from prescribed procedures and takes prompt corrective measures when deviations are noted. However, since any activity of this nature is subject to human failure, the accuracy of the data may be affected by occasional deficiencies in field work.

SECTION B.I.D.

SAMPLE TURNOVER

The metered markets' operational sample design provides for the systematic replacement of households which have been in the sample for five years. The turnover plan is designed so that no metered market housing unit will remain in the sample substantially longer than five years. Such sample households are replaced over a period of 20 calendar quarters by dividing the sample into 20 independent samples. Beginning with Quarter 2 of 1990 sample households will be replaced on a monthly basis, with each meter sample being divided into 60 independent samples. When a new metered market is specified, sample replacement generally begins one year after the market is operational. This means that some households would be replaced in the sample after as little as one year; thereafter, all sample households would be replaced per the five-year program.

SECTION B.I.D. (Cont'd)

In addition to the systematic sample replacement, there is turnover of sample households because of natural causes. This consists of households moving, deaths, demolition and non-cooperation.

SECTION B.I.E.

SAMPLE BALANCING

The Washington, D.C., Denver, Detroit, San Francisco, Houston, Atlanta and Dallas Meter Sample are being balanced periodically to demographic universe estimates. The sample of installed households in each market are sub-sampled such that the resulting reporting sample is more closely balanced to the universe estimates (or controls).

The controls being balanced in the Washington, D.C. Meter Sample include age of householder (less than 35, 35-54, 55 and over), presence of non-adult (any under 18, none less than 18), cable status, race (black, non-black) and geography (District of Columbia, Montgomery, Pr. Georges, and Fairfax counties, and remainder Metro and remainder DMA counties). The Denver Meter Market Sample is balanced on age of householder, presence of non-adults, cable status and geography (Arapahoe, Denver, and Jefferson counties and remainder Metro and remainder DMA). The Detroit Meter Market Sample is balanced on age of householder, presence of non-adults, race and geography (Oakland and Wayne counties, and remainder Metro and remainder DMA counties). The Atlanta Meter Market Sample is balanced on age of householder, presence of non-adults, race, cable status, number of operable TV sets, and geography (Fulton, DeKalb, and Cobb counties, remainder Metro and remainder DMA counties). The San Francisco-Oakland Meter Market Sample is balanced on age of householder, presence of non-adults, Spanish, and geography (Alameda, San Francisco, Contra Costa-W, San Mateo, and Santa Clara counties, remainder Metro and remainder DMA counties). The Houston Meter Market Sample is balanced on age of householder, Spanish, race, cable status, household size and geography (Metro and remainder DMA counties). The Dallas Meter Market is balanced on age of householder, presence of non-adults, race, cable, and geography (Dallas and Tarrant counties and remainder Metro and remainder DMA counties).

SECTION B.I.F.

MEASUREMENT TECHNIQUES

The measurement system uses automatic instrumentation that electronically stores minute-by-minute records of TV receiver tunings in Metered Market Sample households. These records are inherently free of "response error" in that they require no effort, recall, or reply from persons in the sample regarding dial settings, station call letters, programs, and the like. The tuning records are automatically communicated by phone to a central computer each day. The metering system can monitor up to 12 TV sets.

In metered market households, portable sets are normally metered by supplying special outlets in all the rooms where these sets are used, so that the household may move a portable set from one room to another. If this is impractical, a "carrier current link", which uses the house's electrical wiring as a communication path, is installed on the TV set.

NSI's policy is to meter all operable TV receivers within Metered Market Sample households, including those TV receivers considered inactive or "little used", with the exception that if we are told that a set won't be used during the next 180 days, our field representative will place a seal on the power plug; if the household will not consent to this, a responsible member is asked to sign an affidavit confirming the set's inactive status. While Nielsen attempts to learn of every TV set present in each sample household and to be notified of any changes or additions to the household's TV set complement, occasionally such knowledge will not be complete resulting in a few sets not being metered (or covered by affidavits) at any given time. Upon discovery of a non-metered set, a household will be withheld from tabulation until such time as this condition has been processed as described above. TV receivers belonging to roomers, boarders or servants and watched exclusively by such persons are not metered. Roomers, boarders or servants are not considered as part of the household.

See Section A.I.E. for measurement methods of the diary sample.

SECTION C
NSI Analyses and "Permissible Uses"

SECTION C.I.A.

PERMISSIBLE USES OF NSI ANALYSIS DATA

As a matter of contract, each NSI Client is obligated to protect the contents of NSI Analyses against unauthorized divulgence and possible misuse or misinterpretation of the data, under a set of stipulations contained in each copy of these analyses and titled "Permissible Uses". The current version of that text is as follows:

This analysis is furnished pursuant to Client's employment of Nielsen to secure these data for the Client's confidential use and is furnished on the basis of Client's representation that it has a continuing legitimate business interest in the subject matter herein and on Client's agreement that the divulgence of the contents will be limited as follows:

Advertiser Clients:

- (a) To Client's own organization — including sales representatives.
- (b) To Client's own Advertising Agencies, active or prospective, provided that the data will not be used for time-buying purposes or otherwise except only for serving the Client.
- (c) To Stations contracting for this service.
- (d) To program Producers and Artists serving or negotiating with Client's organization.

Advertising Agency Clients:

- (a) To Client's own organization.
- (b) To Client's clients and prospective clients excluding stations who are non-clients to this service.
- (c) To Program Producers and Artists servicing or negotiating with Client's organization.
- (d) In connection with time-buying to stations contracting for this service.

Station Clients, Station Representatives, Producers and Other Clients:

- (a) To Client's own executives — including sales representatives.
- (b) To Agencies, Advertisers and others having a legitimate business interest in the subject of this analysis, provided that no divulgence will be made to non-Client stations or their representatives under any circumstances and that this analysis will not be lent to non-Clients, whether Advertisers, Agencies, Stations or others.

Nielsen's prior written approval is required for quotation of NSI data in advertising, promotion or press releases. Such approval may be withheld unless the quotation is in accordance with Nielsen's policies as may be indicated to Client in writing from time to time. No officer or employee of Nielsen is authorized to give oral approval of any form of publication.

SECTION C.I.B.

CLIENT REVIEW OF NSI DIARIES

Should a client wish to review the actual diaries which contributed to a report for their market, such arrangement for a one-day visit is possible. Written request for visits should be made through the appropriate NSI Sales/Service Representative at least three weeks prior to the date desired, with Nielsen providing the space, time and experienced Diary Checking personnel to facilitate the review. All such visits are conducted at the A. C. Nielsen production facilities in the Dunedin, Florida area located near Tampa, Florida. Information on the identity of the household is considered confidential and no information can be taken from diaries in this regard. Tape recorders, computer terminals, verbatim copying, photocopying and tallies of data are prohibited.

SECTION C.I.C.

GROUND RULES FOR ADS AND PROMOTIONS

The following ground rules have been prepared to expedite the clearances of ad and promotional materials containing NSI data. Questions relating to the implementation of these ground rules should be referred to the NSI Sales/Service offices.

1. Any proposed ad and/or promotional materials containing Nielsen data (including Special Analyses) must be submitted to Nielsen for approval. Materials should be submitted in writing. The physical layout is to be submitted to Nielsen in sufficient time to permit verification of the accuracy of the data, checking for misleading text and making sure all footnotes are complete and in order.

SECTION C.I.C. (Cont'd.)

2. Ad and other promotional material approvals will be stated in writing; if time limitations require telephone approvals, written confirmation will follow. If materials are run without being submitted or if materials are run that have been submitted but have not been approved, Nielsen disclaims responsibility for such action by the subscriber and reserves the right to take appropriate action.
3. Standard B-11 of the "Minimum Standards for Broadcast Rating Research" published by the Electronic Media Rating Council, Inc., and revised by the EMRC Board on June 21, 1979, requires that in the event a rating service has established that any station has employed any special non-regular promotional techniques and/or exhortation to the public to cooperate in rating surveys that may distort or "hypo" ratings, then said rating service will publish in the appropriate report a notice to this effect. In such event, Nielsen will not approve the use of the pertinent NSI figures in advertising and/or promotional material by subscribers without appropriate disclosure. In this connection, the attention of clients is also directed to the Federal Trade Commission's guidelines regarding deceptive claims of broadcast audience coverage released July 8, 1965.
4. Source of information (identify survey as special report, weekly, over-nights, VIP, etc., if that is the case), measurement period(s) covered, type of ratings used, e.g., DMA Household rating, Metro Household rating, etc., must be clearly identified either in the body of the ad or promotional material or via appropriate footnote. For example:

"Nielsen Station Index (NSI) audience estimates, September 28 to October 25, 1985 analysis. Subject to qualifications described in said analysis."

The foregoing language, including the reference to audience "estimates" and "qualifications", is designed to meet the FTC guidelines of July 8, 1965, a copy of which has been furnished to each Client and is available on request at any time.
5. Nielsen letterheads (or Nielsen logos, reproduction of NSI Analysis covers or pages, etc.) may not be used in ads and/or promotional materials.
6. Colloquial phrases or slang terms which could mislead or could be detrimental to A.C. Nielsen Company cannot be used. For example:

— the majestic Nielsen says . . .

— let's raise the program flags and see who Nielsen salutes . . . etc.
7. Text must not be misleading or ambiguous. Here are two examples:

Ad #1 Version A — Station X has been Number 1 continuously all season.

Ad #2 Version B — Station X has been Number 1, on the average, all season.

These ads mean different things. In Version A, the station would have had to be Number 1 in each NSI Analysis across the period involved. In Version B, 5 out of 9 would suffice.
8. Stations define daytime, early fringe and evening hours differently. Whereas a single standard is most desirable, the possibilities of agreement to such a standard at present appear nil. We would welcome agreement; in the absence of agreement, we are not prepared at this time to insist on a particular classification. Differences in definition, therefore, will be acceptable when the covering footnote is accurate and complete.

SECTION C.I.D.

A BRIEF DESCRIPTION OF NSI ANALYSES

1. NSI AUDIENCE ESTIMATES

a. Basic Data Analyses

"Viewers in Profile" (VIP) Analyses are the basic NSI reports for market-by-market and station-by-station TV audience estimates. They are produced from three to seven times per year (depending on market size) and typically as averaged week estimates based on diaries gathered over four-week periods, using approximately a fourth of the total samples for one week in each of the four weeks.

Where desirable to avoid Daylight/Standard time changes, or to exclude unusual one-time events, the periods may be shortened to two or three weeks or expanded to include three or four measured weeks out of five calendar weeks.

(1) Metro Quarter/Half-Hour VIP Analyses

This is the Primary Analysis type, used for all major TV markets for which a Metro or Central Area has been designated. In addition to the standard station total audience estimates indicated for all analyses, these analyses supply Metro Area Ratings and Shares and DMA Ratings by quarter/half-hours (dependent on the predominant scheduling of program periods at various times of the day or week), together with recap averages for major Dayparts.

- (a) Where adjacent Metro markets are served by some stations and station combinations in common but with other facilities serving only one of the Areas, NSI may substitute a "Multi-Metro" format, identical with number 1 above, except that separate Metro ratings are supplied for Area A vs. Area B vs. C, etc., without inclusion of "shares" to provide the necessary space for reporting.
- (b) In the Metered Market DMA's, where the Storage Instantaneous Audimeter is the source for audience estimates (in terms of TV household ratings only), the sample operates continuously for at least 50 weeks a year. This automated type of reporting supplements the type (1) analysis for the Metered Markets by means of optional daily and weekly analyses with DMA Ratings.

(2) Area Quarter/Half-Hour Analyses

- (a) For DMA's with no well defined central core, or where service is of an area-type (with or without wide geographic dispersion via satellites, Cable and/or other supplementary facilities), or where sample sizes for a central core may be insufficient for separate divulgence of localized ratings. NSI may issue analyses without Metro Ratings or Shares. Such analyses without central cores are limited to reporting on stations originating in the named market (city of origin) with the exception of the Daypart Section, but in all other respects are identical with type 1 without Metro Ratings and Shares.
- (b) For markets with neither a DMA nor Metro Area, NSI may issue analyses limited to reporting of station total audience estimates for stations originating in the named market. No outside stations are reported.

(3) Special Market Area Reports

These analyses are produced for certain non-DMA markets in place of the standard VIP. The Metro/Central Area for these markets or some other geographical definition is defined as the Special Market Area (SMA), and data for the SMA are reported as though it were a DMA.

SECTION C.I.D. (Cont'd.)

(4) Daypart Analyses

For periods or markets where sample sizes may be insufficient for individual quarter/half-hour TV audience estimates, NSI may release analyses similar to type 1 or type 2 above but confined entirely to Daypart Averages.

b. Supplementary Reports

NSI also issues a number of supplementary reports which are based primarily on retabulations of VIP data. The major reports for the 1989-90 season are as follows:

(1) Viewers In Profile Reference Volumes

At the conclusion of each "all-market" measurement cycle (including July) and at seasonal intervals otherwise, NSI combines all of the individual VIP Analyses into a minimum number of practical sized volumes for reference use by clients. The information in these "sets" is identical with the final issues of VIP data for each market, in an alphabetic market sequence.

(2) NSI Market Daypart Summaries

These summaries follow the publication of VIP's for each "all-market" measurement cycle (excluding July) and are limited to Daypart Audience Summaries, geographic delineations and appropriate market data information.

(3) Network Programs By DMA

Four editions of the Network Programs by DMA analysis are issued (Nov., Feb., May and July) to assist media planners in allocating network audiences or expenditures by local TV markets. Station management can also determine how well network programs perform in their market compared to other markets of similar size.

The analysis shows station-by-station and DMA audience estimates for each qualifying network program. This includes the estimated average quarter-hour Metro and/or DMA rating and share, station total and DMA total households. Key persons data are reported for various categories depending on program type. These data are on a "pure" program basis. The station lineups of this analysis are derived from program logs supplied to NSI by each station.

Another feature of the Network Programs by DMA analysis is the summary of households and persons ratings for the total U.S. by each reported program. There are also territorial summaries by Nielsen Marketing Research Service areas and a listing of the total number of stations carrying the program.

Separate sections of this analysis show the average performance of each network by broad daypart by market and a combined network average. These network averages are reported in two ways: on a cleared program basis, and on the basis of all available network time periods regardless of clearance.

(4) DMA Test Market Profiles

Market statistics for every DMA in the country are reported in one convenient volume — NSI's Test Market Profiles. This volume contains detailed information for each DMA on the media, the market place and population characteristics.

SECTION C.I.D. (Cont'd.)

(5) DMA TV Trends By Season

Audience trends across the four seasons are reported for all Designated Market Areas in the DMA TV Trends by Season analysis. The analysis is produced following the July all-DMA measurement and shows a seasonal index of principal persons categories as well as DMA households. These audience estimates are cross-indexed to each "all-market" measurement period so that the user can quickly evaluate variations for November, February, May and July. For markets measured in October, January or March, as well as the "all-market" periods, audience estimates are cross-indexed for all seven measurement periods in a separate section. This analysis includes Persons Using Television (PUT) for seven demographic Persons categories in addition to Households Using Television (HUT).

(6) DMA Audience Allocation Analysis

This analysis provides information on the spill-in and spill-out of TV audiences between DMA's. Overall viewing activity and for individual stations within a DMA is allocated by local and outside stations. Local market stations viewing is also allocated among adjacent DMA's where audience occurs. An Index of Spill-Out Audience is useful for allocating advertising weight by market and by station. DMA Audience Allocation Analysis is issued each year. Data are combined from the Fall, late Winter and Spring measurement periods to produce this analysis.

(7) Report On Syndicated Programs

Over 300 syndicated programs and a comprehensive profile of their audiences, competition and lead-in programs are contained in this analysis which is published four times a year. Especially useful are the rankings by program type and demographics (a feature that allows clients to evaluate a program's performance across markets).

IT SHOWS:

- (a) General information, including distributor and program type
- (b) DMA summaries by market size
- (c) Households and persons summaries by daypart
- (d) Household and viewer demographics by station
- (e) Lead-in audiences
- (f) Competition and its performance

NSI's Report on Syndicated Programs is useful for anyone selling, buying or scheduling syndicated programs.

(8) DMA Total Activity Report

This report provides an analysis of ALL television activity in each DMA in one convenient format. Networks, independents, superstations, subscription TV, public broadcasting, cable origination and pay cable are reported for seven major dayparts. Shown are the estimated audiences for each program source, how much viewing is to sources inside and how much to sources outside each DMA, in both cable and non-cable households.

The report is issued each all-DMA measurement period, (November, February, May and July).

(9) DMA Planners' Guide

The DMA Planners' Guide is published four times per year at the conclusion of each NSI "all market" measurement cycle (plus July). This analysis provides average quarter-hour DMA ratings, HUT/PUT ratings and a weighted average for cumulative rank order market groups. Ratings are computed for selected demographics for each of nine dayparts for local reportable stations, local network reportable stations, and local independent reportable stations (all excluding PBS stations). A listing is provided in rank order of reportable commercial stations within a DMA.

SECTION C.I.D. (Cont'd.)

(10) Weekly Preview Reports

NSI Weekly Preview Reports contain totals, demographic data and trend data for the earlier detection of changes in program audiences. The NSI Weekly Preview Report, produced for one market, covers 10 key weeks of television advertising activity. Reported data include individual weeks, two-week trends, station totals and DMA households and demographics.

Each of the reports are mailed approximately fourteen days after the measured weeks. Users have an earlier opportunity to evaluate new programs and one-time specials, election coverages, sporting events and individual movie titles.

(11) County Coverage Studies

This supplement is a retabulation of the four major measurement intervals showing viewing for all TV stations in addition to Cable Program Suppliers, Canadian and Mexican stations. It is published in three sequences: County, DMA and Station. Data reported include the following: station household projections and shares by counties in all dayparts, cable households projections and shares by counties in six dayparts, and stations on air less than four sweeps with data reported on only those sweeps when measured as well as a four-sweep average. Non-cable household projections and shares, as well as non-cable household cume percents are reported for one daypart.

c. Supplements and References

(1) NSI Plus

In addition to the basic VIP and supplementary reports and analyses, NSI offers clients a wide range of special studies. Many NSI Plus specials utilize standard formats, others can be tailored to meet your specific needs. For example, a cumulative audience study can be used to quickly determine unduplicated or cumulative audience for two or more TV spots; audience flow or studies on viewing in particular geographic areas to determine strengths and weaknesses; sales areas can be analyzed by DMA or tailored to your own requirements; county-by-county studies and combined target audience studies are also available.

(2) Special Station Area Analyses

Where NSI reporting standards permit, NSI clients may order Special Area or Time Period recaps of the original diary (or Instantaneous Audimeter) data to present NSI estimates in suitably described redefined combinations. Such Special Analyses are separately identified (to avoid confusion with regular VIP analyses) and if printed for multi-copy distribution, are confined to designated recipients from within the list of regular VIP analysis recipients for data on the subject market or stations.

(3) Pay Cable Report

The National Pay Cable Report provides TV audience estimates for Pay Cable, Home Box Office, Showtime and The Movie Channel programs. It includes viewing information for the following classifications: pay cable combined, the three networks separately for all local affiliates combined, local PBS affiliates combined, local multi-affiliates combined, local independents in their own market combinations, distant imported stations and stations transmitted nationwide via satellite.

SECTION C.I.D. (Cont'd.)

(4) Special Reports

NSI also publishes a wide array of special reports, to aid in planning and coordinating advertising campaigns and programming activities.

(5) Computer Data Tapes

For clients with access to a computer, NSI makes available computer tapes with published data for Viewers In Profile, Network Programs by DMA, TV Trends by Season, Household and Demographic Universe Estimates, Zip Codes by DMA, County-by-County Station Viewing Estimates, DMA Planners Guide, Test Market Profiles, DMA Audience Allocation, Report on Syndicated Programs, Report on Devotional Programs, Report on PBS Programs, DMA Total Activity, Weekly Metered Market and VIP Spill Tape. Consult your NSI representative for tape specifications.

(6) Computer Data Diskettes

For clients with IBM-compatible personal computers, NSI offers computer data diskettes with published data for State/County Universe Estimates, Market Universe Estimates, Zip Codes by DMA, Zip Codes by DMA and State/County with DMA ranking, DMA's by Zip Code and DMA Planners Guide. In addition, NSI makes available customized software for use with Viewers in Profile diskettes. These products include Spotbuyer, Audience Analyst and Postbuy Reporter. Consult your NSI representative for further information regarding this service.

(7) Custom Research Services

Our Custom Research Service facility is qualified to undertake all types of studies for broadcasters, advertisers, and other organizations as well. For example, we can provide picture quality studies, station image studies, follow-up studies of audiences for special programs, studies of special market or demographic groups or we can tailor a study to meet your particular needs.

(8) Research and Development Analyses

From time to time, Nielsen undertakes special research projects designed to illustrate new concepts or techniques or to test some new development by practical applications.

(9) References

To aid clients in their planning and in the interpretation of various standard reports and analyses or services, NSI issues the following reference booklets:

(a) NSI Directory of TV Stations and Markets

In the late summer of each year, in preparation for the forthcoming television season, NSI releases its master list of stations, markets and reporting schedules as then anticipated for the year. The NSI Directory, as implied, is a reference book designed to "catalog" the hundreds of NSI reports and analyses produced each year.

(b) NSI Reference Supplement

This is an informational brochure, revised each season, which serves as an important Appendix to each client agreement. The Reference Supplement covers the technical details of NSI procedures and interpretations and also provides background to NSI policies. The material expands on the procedures and points made in the VIP text. Users find it answers most of their questions about techniques employed by NSI, such as cell projection, minimum reporting standards and established interpretations.

(c) Universe Estimates, Guides and other useful aids

Several brochures, universe estimates, ranking tables, maps and other mechanical aids — for better use and interpretation of data are produced each year. These are available on request for clients and others in broadcast advertising.

JCS Exp 15-X

Nielsen

1290 Avenue of the Americas, New York, NY 10104-0061
212-708-7500

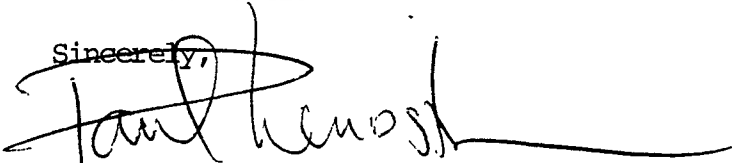
August 26, 1991

Mr. Allen Cooper
MPAA
1600 I Street, N.W.
Washington, DC 20006

Dear Allen,

Enclosed is descriptive material on some of the services which Nielsen offers to local cable systems. If you have any questions or if you need additional information, please call anytime. I may be reached directly at 212-708-7511.

Sincerely,



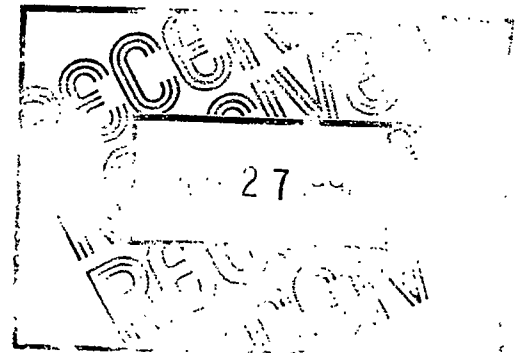
Paul B. Lindstrom
Vice President
Nielsen Homevideo Index

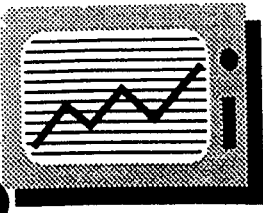
PBL:pcw

Enclosure

Nielsen Media Research

DB a company of
The Dun & Bradstreet Corporation





Making Cable More Competitive

DIARY BASED RATINGS...

Flexible and Easy To Use

A source of local cable ratings for systems and interconnects is the Nielsen diary sample used to measure tv during the four major measurement cycles each year -- February, May, July and November. Nielsen has the ability to estimate local cable viewership via custom diary based daypart analyses that are delivered in a flexible and easy to use format.

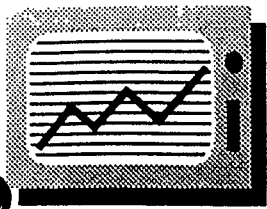
Service includes...

- * Custom Daypart Analyses - Household and demographic daypart ratings can be produced for one or more systems as well as detailed levels of geography. For example, Nielsen can create primetime ratings for subscribers to a cable system or interconnect, all cable households in the market, or subscribers in a single county. All a customer needs to do is specify the daypart and networks to be measured for this truly custom analysis.
- * The Viewers in Profile Report (VIP) - available for every Nielsen market for any measured cycle. All data are based on total households in the DMA. Cable networks that meet reportability standards are included in the daypart section.
- * The Total Activity Report (TAR) - provides viewing to broadcast and cable sources in various categories. Household viewing levels in total, cable, and non-cable households are reported across eight dayparts. The report serves as an excellent source for evaluating the difference between broadcast viewing in cable and non-cable households.

For Information Contact Your NHI Representative at (212) 708-7799

Nielsen Media Research

 a company of
The Dun & Bradstreet Corporation



Making Cable More Competitive

CABLE ON LINE DATA EXCHANGE (CODE)...

A Cable Industry Database at Your Fingertips

Cable industry information is sometimes difficult to manage. Access to the most up-to-date information about the cable industry is often hard to get and disseminate in a timely and efficient manner. **CODE -- Cable On Line Data Exchange** -- is a database of cable system headend information developed by Nielsen Media Research to solve these problems.

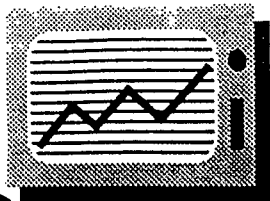
The CODE system contains approximately 200 fields of information on over 11,000 cable headends throughout the U.S., including subscriber counts, franchise area demographics, local ad sales data, carriage lineups and much more. All of the information in CODE is collected directly from cable systems across the country by Nielsen.

Customers can become on-line subscribers to CODE or can order special reports a la carte. In either instance, customers have access to a flexible retrieval system which allows them to mix and match criteria to target cable systems, interconnects or DMA's that meet custom specifications. For example, a customer can locate all cable systems with over 10,000 subscribers that have a channel capacity of at least 36.

For Information Contact Your NHI Representative at (212) 708-7799

Nielsen Media Research

 a company of
The Dun & Bradstreet Corporation



Making Cable More Competitive

CABLE/CONQUEST...

Further Defining Your Target Customers

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CABLE/CONQUEST is a PC-based consumer marketing system which includes cable specific information for the entire U.S. The system combines the power of the DMIS demographic databases, software and mapping facilities with the cable system-specific data sources from NHI.

CABLE/CONQUEST customers can either license the PC-based workstation or order special reports a la carte.

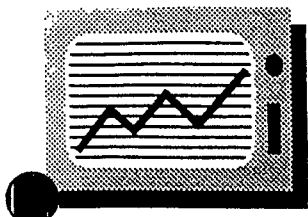
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Making Cable More Competitive

CABLE AUDIENCE PROFILE (CAP)...

Evaluating Delivery At The Local Level

Cable systems located in diary markets need data they can rely on. For that reason, Nielsen developed the **Cable Audience Profile Report (CAP)**.

The CAP methodology and format provide average audience and cume ratings for specific cable systems.

The CAP methodology uses the concept of an **index** to compare viewing at the system level for up to 17 cable networks. CAP is an excellent source for local cable viewing information since its methodology adjusts for any understatement to cable viewing in the diary.

The ratings index is derived by comparing ratings from the Nielsen diaries returned by a system's subscribers and diaries returned from all other cable homes in the U.S.

This index is then applied to the corresponding **national metered ratings** to estimate local delivery for each CAP reportable network.

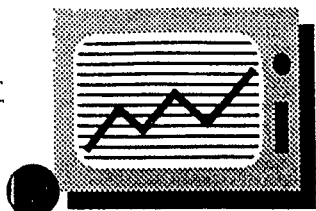
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- * The Cable Index Report - Daypart indexes by cable network for a system and all cable homes in the market for estimating average quarter-hour ratings and average week cumes.
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Next Day Local Market Information

Nielsen Media Research now provides local overnight metered market service for twenty five markets. Cable systems and interconnects in these markets can benefit from the timeliness and accuracy of local meter based cable ratings.

To meet the needs of the changing marketplace, Nielsen has designed a service, available for each measured cycle, which combines a regular subscription to the market with other reports.

A basic subscription includes these Nielsen reports:

- * Megabase "All Other" Report - provides quarter-hour DMA household ratings and shares for ALL stations including all cable networks.
- * Custom Daypart Analyses - based on metered data, reports can be created for the dayparts and networks of the customer's choice. These custom reports include household ratings, share and HUT information.
- * Viewers Per Viewing Household (VPVH) - represent the level of viewing by specific target demographics. When used with household ratings from Custom Daypart Analyses, the result is a meter adjusted demographic rating for the daypart and networks selected by the customer.
- * The Viewers in Profile Report (VIP) - available for every metered market for any measured cycle. All household data are derived from the meters and are based on total households in the DMA. Cable networks that meet reportability standards are included in the daypart section.
- * The Total Activity Report (TAR) - provides viewing to broadcast and cable sources in various categories. Household viewing levels in total, cable and non-cable households are reported across eight dayparts. The report serves as an excellent source for evaluating the difference between broadcast viewing in cable and non-cable households.

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Making Cable More Competitive

LOCAL TELEPHONE COINCIDENTALS...

A Customized Alternative

Among the reports and services that Nielsen Media Research offers is the **Telephone Coincidental**, an alternative source for providing cable systems with ratings data. As one of the most meticulous methodologies available, the quality, accuracy, as well as the interviewing techniques used, come from Nielsen's years of experience.

A telephone coincidental:

- * Is a specialized survey that measures tv viewing in households.
- * Is flexible and can be customized for a single cable system or group of systems.
- * Can be based on calls made anytime between 8:00 a.m. and 11:00 p.m., depending upon customer specifications.
- * Is especially useful when measuring special events and promotions.

During a coincidental:

- * All viewing occurring at the time of the telephone call is collected.
- * Calls are made from Nielsen's national telephone center using a state-of-the-art computerized telephone interviewing system.
- * Calls are made to a random sample of a cable system's subscribers.
- * Calls are evenly dispersed throughout a specified time period, at a constant rate of frequency, to produce an average minute household rating.

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- * Household ratings for any and all channels.
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- * VPVH's (Viewers Per Viewing Household) to measure the number of persons' viewing.
- * Additional survey questions to determine awareness, demographic qualities (income, occupation ...), etc.

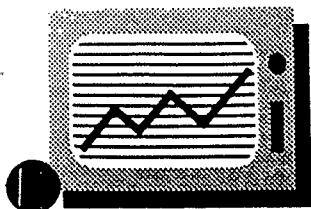
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Making Cable More Competitive

NEW NIELSEN SERVICES FOR METERED MARKETS...

Putting the Power of Nielsen to Work For You

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- * Nielsen Cable Report - A special version of The Viewers in Profile Report geared to provide detailed local market cable network ratings in the same familiar format and style as the VIP Report. The supplement consists of two reports bound in a single volume -- DMA level ratings and cable universe ratings.

- * Nielsen Roadblock and Ratings Retrieval System - Is an online service that puts the power of Nielsen Media Research at your fingertips. The Roadblock System enables subscribers to retrieve data at the DMA level or cable household level. Through a few simple key strokes, household and demographic ratings for selected cable networks can be created right in the customer's own office. Users can create custom daypart averages or identify quarter-hour Roadblocks that meet customer needs.

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Sports Ex. 15x

9/17/91

Nielsen

1290 Avenue of the Americas, New York, NY 10104-0061
212-708-7500

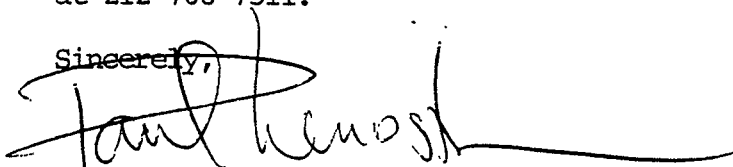
August 26, 1991

Mr. Allen Cooper
MPAA
1600 I Street, N.W.
Washington, DC 20006

Dear Allen,

Enclosed is descriptive material on some of the services which Nielsen offers to local cable systems. If you have any questions or if you need additional information, please call anytime. I may be reached directly at 212-708-7511.

Sincerely,



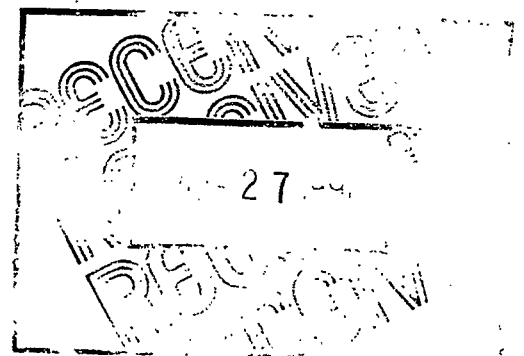
Paul B. Lindstrom
Vice President
Nielsen Homevideo Index

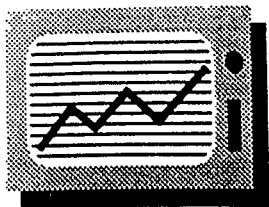
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Enclosure

Nielsen Media Research

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Making Cable More Competitive

DIARY BASED RATINGS...

Flexible and Easy To Use

A source of local cable ratings for systems and interconnects is the Nielsen diary sample used to measure tv during the four major measurement cycles each year -- February, May, July and November. Nielsen has the ability to estimate local cable viewership via custom diary based daypart analyses that are delivered in a flexible and easy to use format.

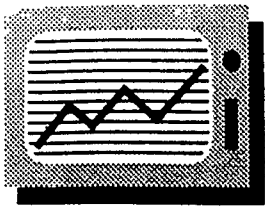
Service includes...

- * Custom Daypart Analyses - Household and demographic daypart ratings can be produced for one or more systems as well as detailed levels of geography. For example, Nielsen can create primetime ratings for subscribers to a cable system or interconnect, all cable households in the market, or subscribers in a single county. All a customer needs to do is specify the daypart and networks to be measured for this truly custom analysis.
- * The Viewers in Profile Report (VIP) - available for every Nielsen market for any measured cycle. All data are based on total households in the DMA. Cable networks that meet reportability standards are included in the daypart section.
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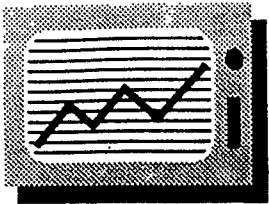
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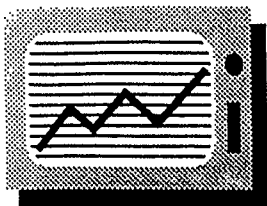
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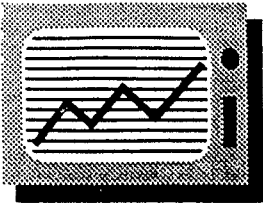
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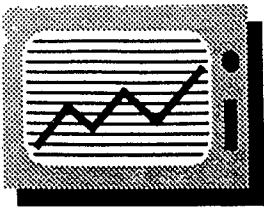
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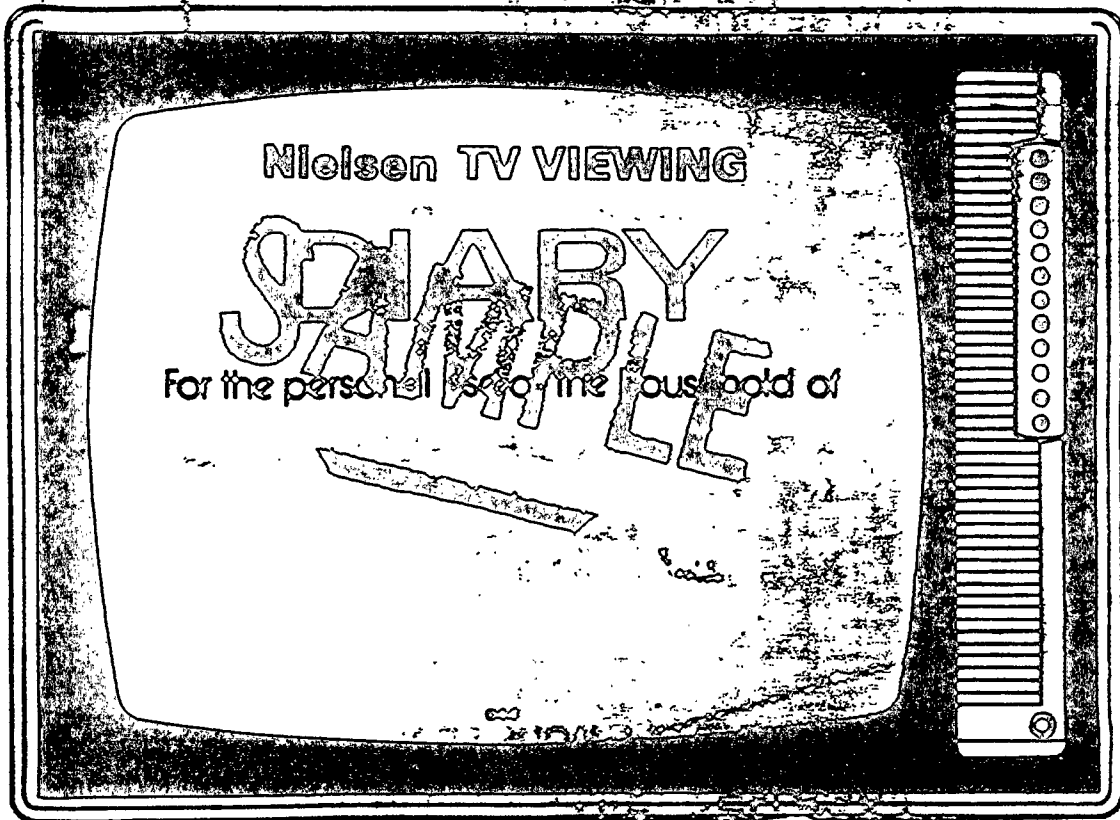
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FOR WEEK STARTING THURSDAY, APRIL 26



Sports Ex 14x

9/17/91

It's easy to keep a NIELSEN diary!
Just mark as shown in Example:

◦ WHEN . . . TV set is turned on or off.

◦ WHICH . . . station and channel are being watched for 5 minutes or longer.

◦ WHAT . . . program is being watched.

◦ WHO...is watching or listening for 5 minutes or longer.

TIME QUARTER HOURS	TV SET O F	STATION AND CHANNEL		NAME	CO.	DATE OF PROGRAM (For Movie, please show Name of Movie)	NAME								
							1	2	3	4	5	6	7	8	9
4	:00														
	:15														
	:30	X	WAAA	1		NEWS HIGHLIGHTS	X		X		X				
	:45														
5	:00														
	:15														
	:30		KZZZ	82		MOVIE-Desert Story			X						
	:45														

◦ WHEN...the TV is on, but no one is watching or listening.

Please write in all the members of your household at the right: →

- First name
- Age
- Sex
- Number of Hours worked per week

If a visitor watches this TV, please write in at the right:

- "Visitor"
- Approximate age
- Sex

FIRST NAME
AGE
SEX
Hours worked per week

	1	2	3	4	5	6	7	8	9
FIRST NAME									
AGE									
SEX									
Hours worked per week									

- How many TV sets do you have: _____ NUMBER
- How many are in working order? _____ NUMBER

Please keep one diary with each TV.

If your TV(s) will not be used at all during the entire diary week (see date on cover), please ☒ reason:

- All TV's broken ☐
Everyone away on vacation ☐

Then, please answer the questions and mail back your diary right away.

	1	2	3	4	5	6	7	8	9
FIRST NAME	George	John	Victor						
AGE	35	10	42						
SEX	M	M	F						
Hours worked per week	40	0	0						

EXAMPLE

- Is this TV connected to a Cable TV service? 1 ☐ YES 2 ☐ NO

IF YES...write in name of cable company: _____

When making entries in the "Channel No." column, you may write in either the broadcast channel number...or the cable channel number or letter.

- Does this TV receive any channels which are offered for extra monthly fees?

1 ☐ YES 2 ☐ NO IF YES: Please check ☒ the channels received:

- 1 ☐ Home Box Office 5 ☐ Cinemax
2 ☐ The Movie Channel 6 ☐ Others _____
3 ☐ The Disney Channel (Please write names.)
4 ☐ Showtime

- Is this TV connected to a Video Cassette Recorder (VCR)?

1 ☐ YES 2 ☐ NO

IF YES...Please enter in your diary all TV programs recorded on this VCR. Please see the last page of the diary for VCR instructions.

If any questions, please call our toll-free phone number:
1-800-237-8611

- **How many members of your household are in the following age groups?**
(Please include yourself.)

Age Group	Males	Females	Age Group	Males	Females
01 65 and over	_____	_____	07 18 thru 24	_____	_____
02 55 thru 64	_____	_____	08 15 thru 17	_____	_____
03 50 thru 54	_____	_____	09 12 thru 14	_____	_____
04 45 thru 49	_____	_____	10 6 thru 11	_____	_____
05 35 thru 44	_____	_____	11 2 thru 5	_____	_____
06 25 thru 34	_____	_____	12 Under 2	_____	_____

- **Is your household of Spanish/Hispanic origin or descent?** ☐ YES ☐ NO

- **Please check the race of your household.**

☐ White ☐ Black ☐ Oriental ☐ Other _____ (Please write in)

- **Please check ☒ the schooling completed by the Male Head of House ... and the Female Head of House.**

	Male Head of House	Female Head of House
Grammar School	1 <input type="checkbox"/>	1 <input type="checkbox"/>
Some High School	2 <input type="checkbox"/>	2 <input type="checkbox"/>
High School Graduate or Equivalency Diploma	3 <input type="checkbox"/>	3 <input type="checkbox"/>
Some College	4 <input type="checkbox"/>	4 <input type="checkbox"/>
College Graduate	5 <input type="checkbox"/>	5 <input type="checkbox"/>
Post College Graduate Degree	6 <input type="checkbox"/>	6 <input type="checkbox"/>
No Male or Female Head of House	0 <input type="checkbox"/>	0 <input type="checkbox"/>

If any questions, please call
our toll-free phone number:
1-800-237-8611

4:00 P.M.

THURSDAY

5	TV SET	STATION AND CHANNEL		NAME OF PROGRAM (For Device, please show Name of Device.)									
		NAME	CH.		1	2	3	4	5	6	7	8	9
41	4				1		3		5		7		9
42													
43													
44													
45	5												
46													
47													
48													
49	6												
50													
51													
52													
53	7												
54													
55													
56													
57	8												
58													
59													
60													

EVENING

2:00 A.M.

61	9												
62													
63													
64													
65	10												
66													
67													
68													
69	11												
70													
71													
72													
73	12												
74													
75													
76													
77	1												
78													
79													
80													

IF ANY VIEWING BETWEEN 2:00 A.M. AND 6:00 A.M., PLEASE GIVE DETAILS HERE.

If any questions, please call our toll-free phone number: 1-800-237-8611

6:00
A.M.

FRIDAY

DAYTIME

4:00
P.M.

TIME	TV SET	STATION AND CHANNEL	NAME OF PROGRAM (For Movies, please show Name of Movie)																	
				NAME	NO.	1	2	3	4	5	6	7	8	9						
01 :00																				
02 :15																				
03 :30																				
04 :45																				
05 :00																				
06 :15																				
07 :30																				
08 :45																				
09 :00																				
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33 :00																				
34 :15																				
35 :30																				
36 :45																				
37 :00																				
38 :15																				
39 :30																				
40 :45																				

Comments: _____

If any questions, please call
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TIME	TV SET	STATION AND CHANNEL		NAME OF PROGRAM (For Novice, please show Name of Movie.)	DATE								
		NAME	NO.		1	2	3	4	5	6	7	8	9
41					1	2	3	4	5	6	7	8	9
42					1	2	3	4	5	6	7	8	9
43					1	2	3	4	5	6	7	8	9
44					1	2	3	4	5	6	7	8	9
45					1	2	3	4	5	6	7	8	9
46					1	2	3	4	5	6	7	8	9
47					1	2	3	4	5	6	7	8	9
48					1	2	3	4	5	6	7	8	9
49					1	2	3	4	5	6	7	8	9
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53					1	2	3	4	5	6	7	8	9
54					1	2	3	4	5	6	7	8	9
55					1	2	3	4	5	6	7	8	9
56					1	2	3	4	5	6	7	8	9
57					1	2	3	4	5	6	7	8	9
58					1	2	3	4	5	6	7	8	9
59					1	2	3	4	5	6	7	8	9
60					1	2	3	4	5	6	7	8	9

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IF ANY VIEWING BETWEEN 2:00 A.M. AND 6:00 A.M., PLEASE GIVE DETAILS HERE.

If any questions, please call
our toll-free phone number:
1-800-237-8611

4:00 P.M.

SATURDAY

2:00 A.M.

EVENING

TIME	TV SET	STATION AND CHANNEL		NAME OF PROGRAM (For Movies, please show Name of Movie.)	DATE									
		NAME	NO.		1	2	3	4	5	6	7	8	9	10
41					1	2	3	4	5	6	7	8	9	10
42					1	2	3	4	5	6	7	8	9	10
43					1	2	3	4	5	6	7	8	9	10
44					1	2	3	4	5	6	7	8	9	10
45					1	2	3	4	5	6	7	8	9	10
46					1	2	3	4	5	6	7	8	9	10
47					1	2	3	4	5	6	7	8	9	10
48					1	2	3	4	5	6	7	8	9	10
49					1	2	3	4	5	6	7	8	9	10
50					1	2	3	4	5	6	7	8	9	10
51					1	2	3	4	5	6	7	8	9	10
52					1	2	3	4	5	6	7	8	9	10
53					1	2	3	4	5	6	7	8	9	10
54					1	2	3	4	5	6	7	8	9	10
55					1	2	3	4	5	6	7	8	9	10
56					1	2	3	4	5	6	7	8	9	10
57					1	2	3	4	5	6	7	8	9	10
58					1	2	3	4	5	6	7	8	9	10
59					1	2	3	4	5	6	7	8	9	10
60					1	2	3	4	5	6	7	8	9	10
61					1	2	3	4	5	6	7	8	9	10
62					1	2	3	4	5	6	7	8	9	10
63					1	2	3	4	5	6	7	8	9	10
64					1	2	3	4	5	6	7	8	9	10
65					1	2	3	4	5	6	7	8	9	10
66					1	2	3	4	5	6	7	8	9	10
67					1	2	3	4	5	6	7	8	9	10
68					1	2	3	4	5	6	7	8	9	10
69					1	2	3	4	5	6	7	8	9	10
70					1	2	3	4	5	6	7	8	9	10
71					1	2	3	4	5	6	7	8	9	10
72					1	2	3	4	5	6	7	8	9	10
73					1	2	3	4	5	6	7	8	9	10
74					1	2	3	4	5	6	7	8	9	10
75					1	2	3	4	5	6	7	8	9	10
76					1	2	3	4	5	6	7	8	9	10
77					1	2	3	4	5	6	7	8	9	10
78					1	2	3	4	5	6	7	8	9	10
79					1	2	3	4	5	6	7	8	9	10
80					1	2	3	4	5	6	7	8	9	10

IF ANY VIEWING BETWEEN 2:00 A.M. AND 6:00 A.M., PLEASE GIVE DETAILS HERE.

If any questions, please call our toll-free phone number: 1-800-237-8611

1:00
A.M.

SUNDAY

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TIME	TV SET	STATION AND CHANNEL		NAME OF PROGRAM (For Movie, please show Name of Movie.)
QUANTITY POINTS	C	P	U	
NAME	NO.			
6:00				
6:15				
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DAYTIME

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Comments: _____

If any questions, please call
 our toll-free phone number:
1-800-237-8611

		TIME		TV SET		STATION AND CHANNEL		NAME OF PROGRAM (For Cables, please show Name of Cable.)		1 2 3 4 5 6 7 8 9								
		QUARTER- HOURS	0	15	30	45	NAME	NO.										
MONDAY	6:00 A.M.	01	6	:00						1	2	3	4	5	6	7	8	9
	02	6	:15							1	2	3	4	5	6	7	8	9
	03	6	:30							1	2	3	4	5	6	7	8	9
	04	6	:45							1	2	3	4	5	6	7	8	9
	05	7	:00							1	2	3	4	5	6	7	8	9
	06	7	:15							1	2	3	4	5	6	7	8	9
	07	7	:30							1	2	3	4	5	6	7	8	9
	08	7	:45							1	2	3	4	5	6	7	8	9
	09	8	:00							1	2	3	4	5	6	7	8	9
	10	8	:15							1	2	3	4	5	6	7	8	9
	11	8	:30							1	2	3	4	5	6	7	8	9
	12	8	:45							1	2	3	4	5	6	7	8	9
	13	9	:00							1	2	3	4	5	6	7	8	9
	14	9	:15							1	2	3	4	5	6	7	8	9
	15	9	:30							1	2	3	4	5	6	7	8	9
	16	9	:45							1	2	3	4	5	6	7	8	9
	17	10	:00							1	2	3	4	5	6	7	8	9
	18	10	:15							1	2	3	4	5	6	7	8	9
	19	10	:30							1	2	3	4	5	6	7	8	9
	20	10	:45							1	2	3	4	5	6	7	8	9

DAYTIME	21	11	:00							1	2	3	4	5	6	7	8	9
	22	11	:15							1	2	3	4	5	6	7	8	9
	23	11	:30							1	2	3	4	5	6	7	8	9
	24	11	:45							1	2	3	4	5	6	7	8	9
	25	12	:00							1	2	3	4	5	6	7	8	9
	26	12	:15							1	2	3	4	5	6	7	8	9
	27	12	:30							1	2	3	4	5	6	7	8	9
	28	12	:45							1	2	3	4	5	6	7	8	9
	29	1	:00							1	2	3	4	5	6	7	8	9
	30	1	:15							1	2	3	4	5	6	7	8	9
	31	1	:30							1	2	3	4	5	6	7	8	9
	32	1	:45							1	2	3	4	5	6	7	8	9
	33	2	:00							1	2	3	4	5	6	7	8	9
	34	2	:15							1	2	3	4	5	6	7	8	9
	35	2	:30							1	2	3	4	5	6	7	8	9
	36	2	:45							1	2	3	4	5	6	7	8	9
	37	3	:00							1	2	3	4	5	6	7	8	9
	38	3	:15							1	2	3	4	5	6	7	8	9
	39	3	:30							1	2	3	4	5	6	7	8	9
	40	3	:45							1	2	3	4	5	6	7	8	9

Comments: _____

If any questions, please call
our toll-free phone number:
1-800-237-8611

4:00 P.M.

MONDAY

TIME	TV SET	STATION AND CHANNEL		NAME OF PROGRAM (For Movies, please show Name of Movie)	DATE								
		NAME	NO.		1	2	3	4	5	6	7	8	9
41	4				1	2	3	4	5	6	7	8	9
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46													
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EVENING

2:00 A.M.

61	9												
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IF ANY VIEWING BETWEEN 2:00 A.M. AND 6:00 A.M., PLEASE GIVE DETAILS HERE.

If any questions, please call our toll-free phone number: 1-800-237-8611

6:00
A.M.

TUESDAY

4:00
P.M.

DAYTIME

3	TV SET	STATION AND CHANNEL	NAME OF PROGRAM (Per Movie, please show Name of Movie)																	
				NAME	NO.	1	2	3	4	5	6	7	8	9						
01	6:00																			
02	6:15																			
03	6:30																			
04	6:45																			
05	7:00																			
06	7:15																			
07	7:30																			
08	7:45																			
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16	9:45																			
17	10:00																			
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32	1:45																			
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34	2:15																			
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36	2:45																			
37	3:00																			
38	3:15																			
39	3:30																			
40	3:45																			

Comments: _____

If any questions, please call
 our toll-free phone number:
1-800-237-8611

2:00
A.M.

3	TV SET	STATION AND CHANNEL		NAME OF PROGRAM - (For Movie, please show Name of Movie.)
		NAME	NO.	
41	4			
42				
43				
44	5			
45				
46				
47	6			
48				
49	7			
50				
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52	8			
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54				
55	9			
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[illegible]

IF ANY VIEWING BETWEEN 2:00 A.M. AND 6:00 A.M., PLEASE GIVE DETAILS HERE.

If any questions, please call
our toll-free phone number:
1-800-237-8611

**4:00
P.M.**

[illegible]

Comments: _____

If any questions, please call
our toll-free phone number:
1-800-237-8611

**2:00
A.M.**

[illegible][illegible]

PLEASE MAIL DIARY TOMORROW
YOUR VIEWING INFORMATION IS URGENTLY NEEDED

If any questions, please call
our toll-free phone number:
1-800-237-8611

• IF THIS TV IS CONNECTED TO A VIDEO CASSETTE RECORDER (VCR):

1. Please write TV programs recorded during the diary week on the daily diary pages and write "VCR" next to the name of the program. Draw a line down under the program name to show time when recording stopped.
2. If watching a program while recording a **different** program, enter the program watched on the daily diary page and write the program being recorded in the box below.

DAY DIFFERENT PROGRAM RECORDED	START TIME	STOP TIME	CHANNEL NAME/NO.	NAME OF PROGRAM

And Is any person living in your household (including yourself) employed by any of the following:

TV station?	<u>YES</u> 1 <input type="checkbox"/>	<u>NO</u> 2 <input type="checkbox"/>	Cable TV network?	<u>YES</u> 1 <input type="checkbox"/>	<u>NO</u> 2 <input type="checkbox"/>
TV network?	1 <input type="checkbox"/>	2 <input type="checkbox"/>	Cable TV system?	1 <input type="checkbox"/>	2 <input type="checkbox"/>

Please... Use the space below to comment about TV in general. You may wish to comment about local programming, such as news, etc. Also, you may wish to list favorite programs which you missed watching.

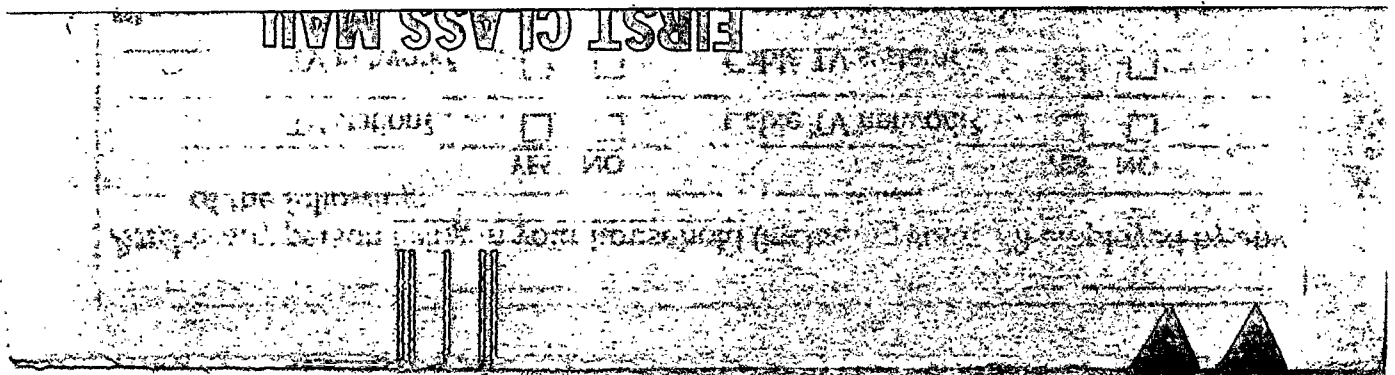
If you didn't receive a diary for each TV, please use this diary to write in viewing for all sets. If you have 2 sets tuned in at the same time, please supply the following information at the bottom of the page for the day...or attach a separate sheet of paper:

- DAY AND TIME (start and end time)
- NAME OF PROGRAM or MOVIE
- CHANNEL NAME AND NUMBER
- PERSONS WATCHING TV

WHEN YOUR DIARY WEEK IS OVER:

Now that you have completed your diary, just moisten the gummed edge below, fold it over part of the TV on the cover and seal it. Please drop your diary in the mail right away. Postage is attached.

FOR RETURN MAILING
MOISTEN HERE AND SEAL THIS FLAP TO COVER



Reference Supplement

1989-90

*A. Cooper -
MPAA*

Sports Ex 13X

9/17/91

Nielsen Station Index



Methodology
Techniques and
Data Interpretation

Nielsen



Accredited by
Electronic Media
Rating Council®

WHAT EMRC ACCREDITATION MEANS

The Nielsen Station Index Service has been accredited by the Electronic Media Rating Council since September 1965. To merit continued EMRC accreditation Nielsen Media Research; (1) adheres to the Council's Minimum Standards for Broadcast Research, (2) supplies full information to the EMRC or its auditors regarding all details of its operations, (3) conducts its measurement services substantially in accordance with representations to the subscribers and the Council and (4) submits to, and pays the cost of, thorough on-going audits of the Nielsen Station Index operations by CPA firms engaged by the EMRC. In addition to sizable annual audit charges, Nielsen Media Research provides office and file space for EMRC auditors as well as considerable staff and computer time involved in various aspects of these inspections.

Further information about the EMRC's accreditation and auditing procedures can be obtained from Executive Director, Electronic Media Rating Council, 509 Madison Avenue, Suite 1112, New York, NY 10022.

Executive Director
Electronic Media Rating Council

SECTION A
Diary Markets

SECTION A.I.B.

SAMPLE DESIGN

Samples of television households are used to produce estimates of TV audiences in NSI markets. Sample sizes specified for NSI markets are chosen to reflect the relative importance of the business decisions made with local television audience estimates, and the problem of measuring a particular market or market types. Generally, sample sizes are related to market size with larger samples used in larger markets. Market sample sizes are specified by DMA for markets having a DMA and by SMA or NSI area for markets without a DMA. (See Sections A.I.A. and C.I.D. for descriptions of DMA, SMA and NSI areas.)

For sampling purposes, the counties in each NSI market with a DMA are divided into one or more geographic areas or strata. Usually the Metro counties comprise one stratum, all non-metro counties in the DMA are a second stratum and the NSI area counties not in the DMA are a third stratum. In special cases the Metro or remainder DMA areas may be divided into two or more strata.

The specified sample for a market is allocated to the sampling strata comprising the market. The sample allocation procedure varies by market type and survey period with different procedures used for DMA and non-DMA markets. When all DMA's are measured, i.e., the November, February, May and July survey periods, the specified sample size for a market is allocated to the sampling strata within the DMA. For survey periods when only a limited number of markets are measured, i.e., October, January and March, sample is also allocated to the stratum comprised of NSI area counties not in the DMA.

The specified sample for a market will be allocated to the sampling stratum level in proportion to the number of television households.

For October, January, and March, sample for counties in the NSI area but outside the DMA will be determined using optimum allocation. Optimum allocation is based on the weighted standard deviation of viewing within the NSI area. Sample for those counties within the DMA will be allocated to the sampling stratum level in proportion to the number of television households.

In some markets, the sample allocated to the Metro sampling stratum is increased in order to meet minimum sample size requirements. Reductions may be made to the sample allocated to the non-metro sampling stratum.

During the October, January and March survey periods, sample is also allocated to the sampling stratum consisting of non-DMA counties. The determination and allocation of sample is done as follows:

1. The proportion of the NSI area sample allocated to the DMA and non-DMA stratum is determined using the optimum allocation procedure, e.g., 85% of the NSI area sample is allocated to the DMA and 15% to the non-DMA stratum.
2. The NSI area sample size is determined using the specified DMA sample size and the proportion of the total NSI sample allocated to the DMA, e.g., if the specified DMA sample size is 500 and the DMA proportion is 85%, the total NSI area sample is $500/.85 = 588$.
3. The non-DMA stratum sample size is determined by subtraction, e.g., $588 - 500 = 88$.

For markets without a DMA, but with an SMA or Metro area, a sample size is specified for the SMA or Metro area. Such areas consist of one or more counties assigned to a DMA sampling stratum. If the SMA or Metro area expected in-tab sample equals or exceeds the specified sample, then the DMA sampling stratum sample size is used. If the SMA or Metro expected in-tab is less than the specified sample, then the stratum is divided into two strata, with the specified sample used for the SMA or Metro stratum.

SECTION A.I.B. (Cont'd.)

To illustrate:

Sampling Stratum Counties	Estimated TV Households	Share of Sample	Expected In-tab	
			Example A	Example B
A	95,360	49.2%	246	148
B	72,470	37.4	187	112
C	16,680	8.6	43	26
D	9,350	4.8	24	14
Stratum Total	193,860	100.0%	500	300

If county A is an SMA with a specified sample size of 200 and the DMA sample allocated to the stratum is 500, (Example A) then the SMA expected in-tab sample is 246 and is greater than the specified SMA sample. ($500 \times 49.2\% = 246$)

If the DMA stratum sample size were 300 instead of 500 (Example B), then the SMA expected in-tab sample is less than the specified sample size ($300 \times 49.2\% = 148$) and the original stratum is divided into two strata consisting of the SMA (county A) and the remaining counties (B, C and D) with a sample of 200 specified for county A.

A similar procedure is used for non-DMA markets without an SMA or Metro area. Each county is part of a DMA market sampling stratum. For such stratum, estimates are made of the expected in-tab sample for each county. If the sum of the expected in-tab samples for non-DMA market counties exceeds the specified non-DMA market sample, then the stratum sample size is used. If the sum of the expected in-tab sample is less than the specified sample size, then the DMA stratum are divided with additional sample specified for the non-DMA market counties in order to achieve the specified sample size.

Clients may purchase additional target in-tab households to be added to the sample at prices quoted by NSI, provided requests are made at least five months prior to the start of a measurement period. When such additions are made, a note will be placed on Page 3 of the appropriate VIP showing the sponsor, the size of the added sample and the geography in which it is to be distributed.

SECTION A.I.C.

SAMPLE FRAME

A sample frame is a list, file, or some other way of identifying the sampling units that have a chance of being selected in the sample. It provides a means for selecting the sample units. The frame used in all NSI markets is a file of telephone numbers including both listed and unlisted households. This file, known as a total telephone frame (TTF), is maintained by Nielsen and updated three times each year. Households without telephones are excluded from the frame and have no chance to be selected for the sample. Households with more than one telephone have a greater chance of selection than households with one telephone number.

National Data Center (NDC), Lincoln, Nebraska, compiles computer files of telephone households included in alphabetic and street address telephone directories. Each listing in the file includes a name, address and telephone number. The file is revised continually as new directories are published. NDC regularly supplies its complete file of telephone listings to Donnelley Marketing, Nevada, Iowa, which maintains the file. Donnelley assigns a state and county designation to each listing.

Three times per year, Donnelley provides Nielsen with counts of listings by telephone exchange and zip code. For exchanges with listings in more than one county, counts of listings are provided for each county.

A computer file of all exchanges operating in the U.S. is obtained from Bell Communications Research (BCR) three times per year. The exchanges in the Donnelley file are compared to the exchanges in the BCR file. Those found in the Donnelley file, but not in the BCR file, are considered either errors or no longer in service and are not included in the frame. Exchanges in both the Donnelley and BCR files are included in the frame and assigned to the county containing the largest number of listings for the exchange. For each exchange in the frame, blocks of 100 consecutive telephone numbers are formed and identified by the first two digits of the telephone number suffix, e.g., 202-555-12NN (area code-exchange-block). It is assumed that none or a very small percent of the numbers in blocks without listings in Donnelley's file are household numbers and all such blocks are deleted from the frame. Any household numbers in such blocks have no chance to be selected for NSI samples.

Exchanges that are only in the BCR file are considered to be either non-residential (business, government, etc.) or so new that no residential households are assigned to them and are therefore not included in the frame.

The frame consists of Primary Sampling Units (PSU's) of blocks of 100 numbers with one or more listings for exchanges in both the Donnelley and BCR file.

Each block (PSU) is assigned to a sampling strata (described in section A.I.B.) based on the county assigned to the exchange. The blocks are stratified geographically within strata to provide a proportionate distribution of telephone numbers within the sampling strata.

SECTION A.I.D.
SAMPLE SELECTION

The selection of samples for each market is done in two phases:

1. The selection of a large first phase sample to be used to identify listed and unlisted telephone numbers.
2. The selection of samples of telephone numbers from the first phase sample to be used as the final sample for obtaining viewing information.

First Phase Sample

An initial sample size is determined for each sampling stratum by dividing the specified in-tab sample size (see Section A.I.B.) by an estimated achievement rate for each stratum. The estimated achievement rates used are based on experience from prior year measurements reflecting both listed and unlisted sample return rates. The initial sample size is doubled to obtain a first phase sample size for each stratum. This increase is made to: 1) provide for possible changes in the specified DMA sample size, 2) allow for more recent return rate data in developing final achievement rates, and 3) provide for a more accurate estimate of the proportion of listed and unlisted samples.

To illustrate:

<u>DMA Sampling Stratum</u>	<u>Measurement Specified In-tab</u>	<u>Estimated Achievement Rate</u>	<u>Initial Sample Size</u>	<u>First Phase Sample</u>
Metro	450	.35	1,286	2,572
Non-Metro	200	.30	667	1,334

If for a measurement the Metro stratum specified in-tab for a DMA is 450 and the estimated achievement rate is .35, then the initial sample size is 1,286 ($450/.35 = 1,286$). The first phase sample size is twice as large, 2,572 ($1,286 \times 2 = 2,572$).

For the non-Metro stratum, the initial sample size is 667, i.e., ($200/.30 = 667$) and the first phase sample is 1,334 ($667 \times 2 = 1,334$).

A sampling interval is determined by dividing the number of PSU's in the strata by the first phase sample size. A random number between 1 and the sampling interval is used to select the first PSU and the remaining PSU's are selected systematically. For each selected PSU, the telephone number is completed by appending a two-digit random number. Because all PSU's are of equal size, each telephone number has an equal chance of selection.

For example:

Assume a sampling stratum contains 8,000 PSU's (hundred number blocks) and the first phase sample is 2,000. The sampling interval is $4 = 8,000/2,000$, i.e., one of every four PSU's will be selected. If the starting random number is 3, then PSU's 3, 7, 11, 15, etc., would be selected. For each selected PSU, a two-digit random number is appended to the PSU to complete the sample telephone number. If PSU 404-652-37 is selected and the two-digit random number is 64, then telephone number 404-652-3764 is included in the sample.

SECTION A.I.D. (Cont'd.)

The first phase samples of telephone numbers for all sampling strata are sent to Donnelley and matched to Donnelley's file of approximately 67 million listings*, and names and addresses are provided for the sample telephone numbers in Donnelley's file. This matching process results in two files: telephone numbers that match (listed households) and telephone numbers that do not match. The unmatched numbers include unlisted households. Donnelley then matches the unlisted telephone numbers against a file of business telephone listings. The file, which contains approximately 7.0 million listings and is updated annually, is obtained from Market Data Retrieval, Westport, CT. Those telephone numbers that match the business file are flagged. The listed and unlisted telephone numbers including names and addresses for listed numbers are returned to Nielsen in their original selection sequence.

First phase samples are selected three times per year with the first sample used to select final samples for the October and November measurement periods, the second sample used to select final samples for January, February and March and the third sample used to select final samples for May and July. All numbers selected for a first-phase sample are used for only one final sample.

Selection of Final NSI Samples

The matched and unmatched first-phase sample files are sequenced within sampling strata with the listed numbers preceding the unlisted numbers. Separation by listed and unlisted status results in a proportionate selection of listed and unlisted telephone numbers for the final sample.

For each sampling strata, a gross sample size of telephone numbers needed to yield the specified in-tab sample size of household is estimated. The gross sample size estimate, similar to the initial sample size, is determined by dividing the specified in-tab by an estimated achievement rate for each stratum. The estimated achievement rates used for the final NSI samples are similar to those used for the initial sample except they (1) include return rates from more recent NSI measurements, and (2) are based on the proportion of listed and unlisted samples selected from the first phase sample.

For example, if the Metro stratum specified in-tab is 450 (see example on previous page) and the new estimated achievement rate is .37, then the final NSI sample size is 1,216 ($450/.37 = 1,216$). The final NSI sample is systematically selected from the first phase sample by determining a sample interval (first phase sample size divided by the final gross sample size) and using a random start. The selection procedure also assigns the sample telephone numbers to weeks.

After the final NSI sample is selected, a final computer edit is run. This edit eliminates all unlisted telephone numbers from 100 number blocks containing only one Donnelley listing plus all unlisted numbers that matched Donnelley's business file. In addition, in all non-metered markets all unlisted telephone numbers from 100 number blocks containing two to nine Donnelley listings are eliminated.

*A small percentage of telephone numbers are in Donnelley's file more than once. The name and address for the first number matched to the sample number is selected for the first phase sample. All additional names and addresses for such numbers are not included in the first phase sample.

SECTION A.I.E.

MEASUREMENT METHODS

Telephone calls are made to all sample telephone numbers in the areas surveyed for each measurement interval. Prior to the telephone call a postcard is mailed to households whose numbers are listed in the telephone directory. The purpose of the telephone call is to enlist the cooperation of the household for the survey, verify names and addresses among listed number households, and obtain names and addresses from unlisted number households. During the telephone call respondents are asked the number of TV sets in the household,

SECTION A.I.E. (Cont'd.)

whether any sets are connected to a cable television service and the name of the cable service. Respondents are also asked the race of the household in 76 DMA's that have a black household universe estimate of at least 10% of the television household universe estimate, or at least 50,000 black households. Also respondents are asked what language is used most often in the household in 29 DMA's where at least 10% of television households, or at least 50,000 Hispanic households, are estimated to be Hispanic. Interviews are administered in the Spanish language as required.

Business or other non-households, persons living in group quarters and temporary or seasonal homes which may be identified as a result of the telephone recruitment call, or by notations in returned diaries, are removed from the sample. Thus, for all practical purposes, the measurement sample is restricted to primary households. Military base homes having telephones are included in the sample.

A diary for each television set in operating condition is mailed to households that agree to cooperate in the survey. For listed telephone households, diaries are also mailed to refusal households, and to households not answering five telephone calls spread over at least two days at different times of day and evening. A monetary incentive is included with the diary. In order to reduce the incidence of non-contacts in the unlisted samples, 10 attempts are made to contact each unlisted number.

Sample households, reporting during the telephone recruitment call that they will be away or will not have an operable television set during the survey week, are sent diaries in the event conditions change.

Households volunteering information during the telephone recruitment call that a household member is employed in the media industry are removed from the sample and are not mailed. Also, diaries for any household answering "yes" to a diary question regarding TV station, TV network, cable TV network, or cable TV system employment are also removed from the sample.

In a small number of markets, the same sampling procedures are used to select a buffer sample of telephone numbers. This buffer sample is used to increase the amount of Black households included in the final NSI sample. The size of the buffer is based on the estimated number of additional Black households needed to achieve the universe penetration for the given market and is calculated using historic results. The entire buffer sample is called using identical procedures and only those households identified as Black are mailed a diary. All Non-Black households from the buffer are excluded from the final sample.

Simple basic instructions in the diary aid accurate and complete entries. The diary asks for station or channel name, channel number, and program viewed for five minutes or more. In addition, instructions are given to enter viewing by household members and visitors along with age, gender and hours worked per week for each viewer.

Diaries returned to Nielsen are carefully examined following established procedures. Identification of viewing is based on agreement between the channel name and channel number as provided by the household. Should no agreement be found, program name is used to determine which of the other two elements is credible. Either the channel name or channel number is then changed to reflect the proper credit for the entry. Diary information is introduced to the computer by the key entry of channel name (call letters).

To gather information on Pay TV subscription, the NSI diary contains the following question:

Does this TV receive any channels which are offered for extra monthly fees?

If the diarykeeper marks "Yes", an instruction asks for a box to be checked for one or more of five pay TV channels listed. The names of other pay TV channels can also be written in a space provided for that purpose.

All NSI diaries contain a question as to whether "This TV is connected to a video cassette recorder (VCR)".

Home VCR recordings of television programs are credited for the time of recording, but are not credited for the time of playback. Television set usage for video games, computers, and the like is excluded.

SECTION A.I.E. (Cont'd.)

The following rules are applied to crediting viewing of home recordings:

<u>1. Condition</u>	<u>Credit</u>
Program A recorded Program A simultaneously viewed	HUT and Program A
2. Program A recorded Program B simultaneously viewed	HUT, Program A and Program B
3. Program A recorded, but no simultaneous viewing	HUT and Program A
4. Playback Program A	No credit to HUT or any program
Playback Program B	No credit to HUT or any program
Play pre-recorded material	No credit to HUT or any program
Play "home made" tapes	No credit to HUT or any program

VCR recording is included in HUT and program because a TV tuner is being used and it is assumed that whatever is being recorded will be viewed at a later time.

Increased monetary incentives and diary week telephone calls are used among households determined to be Black or Spanish in the diary recruitment call. Bilingual English/Spanish language diaries, explanatory letters, and brochures are sent to Spanish language households based on responses from the telephone recruitment call. Final classification of Black and Spanish households is based on responses to the questions in the diary. If the questions in the diary are not answered, final classification is based on the responses from the telephone recruitment call. The purpose of these special procedures among Black and Spanish households is to increase diary returns to approximate levels of other sample households in the same area.

A reminder is sent to each household asking them to begin diary entries on Thursday. In households with one or more sets connected to a cable television service carrying 60 or fewer channels, the reminder is in the form of a letter. A list of all channels carried by the cable television service is included with the letter to assist households in diary entry of channels tuned. All other households are sent a post card. At the end of the diary week a post card is sent to all homes to remind them to return the diary.

SECTION A.I.F.

RATE OF RESPONSE

Table 3 of each VIP provides an estimate of Initially Designated Households (Estimated TV Households) and a count of In-tab Households for various geographic areas. Initially designated households are an estimate of the number of television households in the initial sample of telephone numbers selected for a given geographic area. Not all telephone numbers are television households; some are businesses, non-TV households or not in service.

The response rate for a geographic area is the ratio of in-tab households to the estimated initially designated households. For example, if for a DMA there were 550 in-tab households and 1000 initially designated households in the initial sample, the response rate would be 550/1000 or 55%.

As described in section A.I.D., samples of telephone numbers are initially selected and sent to Donnelley to identify numbers contained in their computer file of names, addresses and telephone numbers compiled from telephone directories. All numbers in the Donnelley file are designated as "listed numbers". Some of the numbers designated as listed are no longer households at the time of the survey, since some households move between the time the directory is compiled and the survey date. Numbers for such households may be disconnected. In addition, many of the unlisted numbers are not households. The number of initially designated households is estimated separately for listed and unlisted numbers.

SECTION A.II.A.
COMPUTATION METHODS

Audience estimates reported in the VIP are based on a sample of TV households and persons in TV households. Weights are applied to the sample households and persons to:

- Adjust for different sampling rates used among the sampling strata within a DMA and outside a DMA.
- Attempt to compensate for households in the universe that are not included in the sampling frame.
- Attempt to compensate for differences in response rates among various types of households.

1. Computation of Household Weights

A series of ratio estimates are used to adjust an initial household weight so that the weighted sample is in balance with the universe for various household characteristics. An initial household weight is computed by week for each projection area which may be an individual county, a split county or a combination of counties. Combinations of counties are made by grouping the relatively small counties with other counties to form projection areas of sufficient size for individual week weighting. These county groupings are made within the same sampling stratum. The initial weight is equal to the ratio of the estimated TV households to the in-tab sample for the grouping. Once the initial weights are determined, the weights are adjusted using an iterative procedure so that the weighted sample balances with the universe for various controls.

a. Controls

The controls consist of household and geographic categories. Except for geography, controls are used at the DMA level or at the metro and remainder DMA levels. The number and type of controls vary by market and are determined by expected in-tab DMA sample sizes and the relative importance of some controls such as Black, Spanish or Cable. Geographic controls are applied separately by week. In DMA's with weekly Preview Reports, all household controls are applied separately by week.

(1) Household Characteristics (DMA level)

Race: Black, Not Black (selected DMA's)

Cable: Yes, No (all DMA's between 10% and 90% cable penetration)

Spanish: Yes, No (selected DMA's)

Presence of Non-Adults: Any under 18, None (all DMA's)

(2) Geography (by week)

Individual counties, county groups or split counties.

b. Adjustment Procedure

The weighting adjustment procedure is an iterative process by which each household is assigned a weight such that the sum of the weights agree within 1% of each control. In each iteration, the sample is adjusted for the household controls and then the geographic controls.

The weighting adjustment is a ratio estimate:

$$r = \frac{N}{W}$$

where: N = control universe estimate

W = sum of the household weights from the previous adjustment for households included in the control category

The weighting adjustment is applied to each household included in the control category. For example, if the adjustment factor for a cable household is 1.03, then the weight for each household with cable is multiplied by 1.03.

SECTION A.II.A. (Cont'd.)

An iteration will consist of sequentially adjusting for each control once. The household weights are then summed for each control and compared to the control universe estimate:

$$d = \frac{s-u}{u}$$

where: d = absolute relative difference
s = sum of the household weights for a control
u = control universe estimate

The process stops when d is less than 1% for all controls or when maximum number of iterations are completed.

The final household weights are then compared to the initial household weights:

$$r_j = \frac{WF_j}{W_{lj}}$$

where: r_j = ratio for household j

WF_j = final weight for household j

W_{lj} = initial weight for household j

If r_j is larger than 4.0, the weight for household j is set to $4.0 \times W_{lj}$.

If r_j is less than 0.25, the weight is set to $0.25 \times W_{lj}$.

2. Audience Estimates

Audience estimates are computed separately for each quarter-hour. Reported audience estimates are averages of appropriate quarter-hours, days and weeks.

a. Household

Household ratings are computed by summing the household weights of viewing households in the DMA (Metro) and dividing by the DMA (Metro) TV household universe estimates.

Household station totals are obtained by summing the household weights of all viewing households both within and outside the market's NSI area. See Section A.I.A., item 3, for additional detail on computation of station totals.

b. Demographic

Demographic audience estimates are made using a two-stage ratio estimation procedure for each of the following mutually exclusive age/sex categories:

<u>Children</u>	<u>Males</u>	<u>Females</u>
2-5	12-17	12-17
6-11	18-24	18-24
	25-34	25-34
	35-49	35-49
	50-54	50-54
	55-64	55-64
	65+	65+
		Working

SECTION A.II.A. (Cont'd.)

Persons projected audiences for a DMA are derived by:

- (1) Summing the household weights for each viewing person in the age/sex category.
- (2) Summing the household weights for each person in the age/sex category.
- (3) Computing the ratio of first stage projected viewing (step 1) to projected in-tab persons (step 2).
- (4) Applying the ratio (from step 3) to the DMA universe estimate for the age/sex category to derive the final projected viewing persons.

$$Y = \left[\frac{\sum_{i=1}^m W_i a_i}{\sum_{i=1}^m W_i} \right] M$$

where: Y = DMA projected viewing persons for an age/sex category

W_i = household weight for i^{th} person

a_i = 1 if the i^{th} person is viewing; 0 otherwise

m = number of persons in the DMA for the age/sex category

M = DMA universe estimate for the age/sex category

Note: In selected markets, this ratio estimation procedure is performed separately for the Metro and remainder DMA areas.

For the October, January and March survey periods, when some DMA's are not measured, persons projected audiences for some markets are derived separately for the area outside the DMA. In some instances, however, the outside areas may be included with the DMA's for projection purposes.

Station totals (see definition on page 3) reported in VIP are derived by summing projected viewing persons both in and outside the DMA for the appropriate age/sex categories. DMA ratings are derived by summing the DMA projected viewing persons for the appropriate age/sex categories and dividing by the corresponding universe estimate.

3. Rounding

Household and Persons audience estimated in the VIP are reported as average quarter-hour DMA ratings, station totals, shares and daypart cumulative audiences for various combinations of quarter-hours, days and weeks. To facilitate the computation of reported audience estimates, projected audiences are computed to units by quarter-hour for each county measured. Separate persons projected audiences are computed for the mutually exclusive age/sex categories listed in Item 2b on page 16.

All computations are done using audience estimates carried to units with rounding performed as the last step of the computation procedure. For this reason, reported audience projections may differ from the sum or average of the reported component parts. For example, the rounded reported projection for 18-49 plus 50+ may not equal the reported projection for 18+. Although rounding at the last step may result in occasional minor differences, it yields more precise estimates than rounding prior to summing the component parts or using a procedure that eliminates the minor differences.

SECTION A.II.A. (Cont'd.)

4. Missing Data

Some households return otherwise usable diaries which fail to provide complete age or sex information for all household members. When age and sex data are missing, the diaries are first inspected for information which might enable the diary to be logically completed. For example, if the cooperator fails to note the gender for a given person, such information can often be logically completed by reference to the name. When age information is not available in the diary, Nielsen makes an attempt to contact the household by telephone to obtain the data. When such contact is not successful, Nielsen has prepared reference tables from outside sources* that relate age and gender; the manner in which these tables are applied is illustrated by the following examples:

Information Given	Unknown	Data from Age and Gender Tables
Adult Male: Age 31	Age of Female (Apparently Wife)	Husband's age minus 3 years, or 28
Adult Male and Female: Ages 43 and 42, respectively	Age of "Grandpa"	Female's age plus 25 years, or 67
Adult Male and Female: Ages 33 and 32, respectively	Age of Other Person (Apparently Child)	Female's age minus 22 years, or 10

In cases where age and gender both are missing completely, the age of the head of house is estimated based on household size and random allocation to age groupings. The probability of assignment to a given age category is based on outside data. Ages of other persons in the household are estimated based on the estimated head of house age, using the table illustrated above.

Missing information on employment status for working women is completed by randomly assigning the unknown cases to work-level categories. These assignments are based upon the rate of employment obtained from an analysis of households providing such information.

Some households return diaries without audience composition information for some or all time periods; that is, the diaries are complete with respect to station call letters and channel identification for quarter-hours viewed, but the audience composition information is omitted. For single person households, viewing is attributed to that person. In all other households, viewing is randomly imputed to each household member using viewing probabilities obtained from a national sample of persons. Viewing probabilities vary by household size, age/sex and by time of day. Imputed viewing is the same for consecutive quarter-hours viewed to the same station for which audience composition is not provided.

The procedures outlined for processing the relatively small proportion of households returning diaries with missing information involve several assumptions. These assumptions are subject to limitations. However, Nielsen believes that the procedures described yield less bias than would be incurred by omitting the households from tabulation or by using other economically feasible alternatives. This type of imputation has been recognized by statisticians as superior to complete rejection of otherwise valid data**.

5. Accuracy

With respect to the accuracy of the demographic and audience composition information, the user is reminded that demographic information acquired from households is subject to response errors of a different type than those relating to the recording of viewing information. Such errors may be traced to the respondent's lack of knowledge or willingness to reply. The user is also reminded that sampling and non-sampling errors on low-level audience data are relatively high; i.e., often equal to or greater than the reported audience level. Differences and relationships between such data should not be interpreted as being meaningful. These data may be used in composite with audience estimates for other time periods and/or other markets, so that the composite error is correspondingly reduced.

It is also recommended that the interests of a user seeking precise audience estimates for time periods or audience segments with relatively low audience levels would best be served through special studies using specially structured samples disproportionately allocated to measure the segment of interest.

* U.S. Department of Commerce, Bureau of the Census, Current Population Reports, Series P20.

** As an illustrative reference see: United States Census of Population, 1970: General Population Characteristics, Accuracy of the Data, Appendix C, Pg. 10.

SECTION A.II.B.
CABLE TELEVISION

Households are classified as cable if any TV set in the household is equipped to receive a cable system; some multi-set households may not have all TV sets so equipped. Households which pay a fee to receive programs by means other than cable (i.e., Multi-Point Distribution, Subscription Television, Satellite Dish, etc.) are classified as non-cable households.

Nielsen endeavors to contact all cable systems to obtain cable system data including carriage, cable channel positions, communities and zips served, protection (if appropriate), former names of the system, etc. These data are used to assist in editing cable diaries clarifying entries where the household has elected to use cable channel numbers rather than air channel numbers. Viewing, to the extent practicable, is credited to the station which is the source of the programming (see non-duplication protection below). As with non-cable diaries, call letter and channel number agreement are the primary identifiers with program name used to ensure proper credit where necessary. In the case of a diary mention of viewing over a system not previously identified as operating locally, efforts are made to contact the system and collect system information prior to processing the diary. Subsequently, less than one-half of one percent of all diaries are processed with no system information.

Cable diaries are edited with due regard for protection policies affecting local stations. To facilitate the above editing, Nielsen notifies each broadcast station of non-duplication status prior to each major cycle. Based on information provided by stations, Nielsen contacts cable system operators by telephone for information or updates concerning any protection afforded the local stations against program duplication from outside sources. The crediting of program source will be as stated by the cable system operator. Nielsen does not guarantee the accuracy of information received and reserves the right to resolve conflicts based on its judgment of available information.

SECTION A.II.C.
MULTI-SET USAGE

In sample households reporting more than one TV set, the simultaneous use of more than one TV set does not increase the HUT*; the household is counted only once. In compiling station audiences, duplicate viewing entries to the same station are also counted only once; viewing entries for different stations, however, are counted for each station. As a result, the sum of the reported station ratings may equal or exceed the HUT, even where there are unreportable stations contributing audiences to the HUT. Thus, to the extent that multi-set households use their sets simultaneously and tuned to different stations, they tend to raise the ratings and shares of reportable stations in relation to HUT. Audience to stations not meeting the minimum reporting standards should not be sought by subtracting from HUT figures the sums of ratings shown for other stations.

*Television households in the Metro/DMA Area with a TV set turned on as a percentage of Metro/DMA Area TV households.

SECTION A.II.D. (Cont'd)

G. Determining the Start/End Times of Telecasts

When establishing start and end times, the following rules are applied:

1. Network program ends and another network program begins:

Use the start time of the second program to establish the end time of the first program.

2. Network program ends and a local or syndicated program begins:

Use the end time of the network program (including closing credits, network promos, commercials, etc.) to establish the start time of the local or syndicated program.

3. Local or syndicated program ends and a network begins:

Use the start time of the network program (including opening credits, network promos, commercials, etc.) as the end time of the local or syndicated program.

4. Local or syndicated program ends and another local or syndicated program begins:

Use the start time of the second program as the end time of the first program.

H. Determining Which Program Will Be Credited or "Plurality"

In selecting program name identifications for a quarter-hour, we will first determine start and end times per G.1-4 above. Then apply the following plurality rules:

1. When two programs air within a quarter-hour, the program which airs the longest is the program title used. In all cases, rounding seconds will occur prior to the application of the rules.

01-29 seconds - round down

30-59 seconds - round up

2. A technical off air of seven and one-half minutes or more within the quarter-hour, will be listed as "Off Air."

3. When three or more programs air within a quarter-hour, and one program lasts seven and one-half minutes or more, the quarter-hour will carry the name of the seven minute, thirty-second or more program.

If none of the programs lasted seven and one-half minutes or more, "various" will be assigned to the quarter hour.

I. GENERAL

NSI endeavors to identify reported station audiences by time periods with the name(s) of programs broadcast during these periods. Programming information is supplied by the stations (in each market) regarding their week-to-week program names and times of telecast. Client stations are, as a matter of contract, responsible for the accuracy of program names supplied to NSI.

In the event such information is sufficiently inaccurate to warrant special notation after publication, the station so responsible assumes the added costs for correcting such inaccuracies, should the retroactive change affect a previously published NSI regular analysis. Conversely, where misidentifications may be due to NSI processing, corrective steps will be taken without charge to the client(s) but shall be limited to appropriate bulletins being sent to all known recipients of the subject Viewers In Profile. In most cases, the reported inaccuracy will only affect the program averages reported in the Viewers In Profile and/or Metered Market Overnight and Weekly Analyses. However, viewing data in the time period section of the Viewers In Profile and weekly analysis and quarter-hour data appearing in the overnight analysis are generally unaffected.

All stations, client and non-client alike, are requested to supply program name information. Such information for week four is requested to be supplied in advance of week four telecasts. Stations are requested to wire or fax Nielsen of changes. However, in the event of non-compliance to NSI's request, other sources of program names are used to construct a station's program schedule.

SECTION A.II.D. (Cont'd)

Extraordinary care is taken to publish accurate program names, but publication of such names in the Viewers In Profile and/or Metered Market Overnight and Weekly Analyses must not be construed as certification of programs carried.

When questions arise concerning program names, please contact your Nielsen representative.

Guidelines for reporting program names are issued to stations from time to time in order to assure a uniformity of program identity within markets and across markets. NSI reserves the right to use its best judgment in unusual situations as to program name when the station-supplied program names differ from the actual program that is telecast. Nielsen also reserves the right not to re-issue published data tapes or diskettes.

SECTION A.III.A. (Cont'd.)

For each of the above market classes, Metro ratings will not be reported if a program does not air for the minimum number of weeks as per the following table. These minimums vary by the advance household sample estimate for the Metro area of the market.

<u>Market Class</u>	<u>Minimum Metro Advance Sample</u>	<u>Minimum Weeks for Reporting</u>	
		<u>Program Type</u>	
		<u>Mon.-Fri.</u>	<u>Individual Day</u>
A	640 or more	—	—
A	320 to 640	2 weeks	2 weeks
A	215 to 320	2 weeks	3 weeks
A	180 to 215	2 weeks	4 weeks
A	160 to 180	3 weeks	4 weeks
B	460 or more	—	—
B	230 to 460	2 weeks	2 weeks
B	155 to 230	2 weeks	3 weeks
B	130 to 155	2 weeks	4 weeks
B	115 to 130	3 weeks	4 weeks
C	300 or more	—	—
C/D	150 to 300	2 weeks	2 weeks
C/D	100 to 150	2 weeks	3 weeks
C/D	85 to 100	2 weeks	4 weeks
C/D	75 to 85	3 weeks	4 weeks

4. UNPUBLISHED OR DERIVED AUDIENCE ESTIMATES

NSI VIP Analyses are not intended to provide audience estimates for geographic areas or demographic categories other than those reported. In certain instances, in-tab sample sizes are not sufficient to yield reliable estimates of non-Metro Area or non-DMA Area audience levels. This consideration also applies to demographic audience estimates based on smaller increments of the in-tab sample than used to compile reported age/sex audience information. The user who by inference (or subtraction) calculates and uses such estimates should be aware of the relatively high standard errors of such estimates.

The derivation of unpublished audience estimates for time spans other than those reported, is not recommended due to the lowered sample base (approximately one-quarter per week of a four-week sample measurement) and relatively high sampling error.

It is recommended that a user interested in individual week and/or unreported geographic or demographic audience estimates, consult his NSI Sales/Service representative for information regarding a Special Analysis that might better serve his needs.

5. INTERPRETATION OF NSI VIP DATA ANALYSES

Omission of data for any particular program or station, with or without footnote reference to "Data Withheld", should not be construed as indicating any particular level of listening or viewing. In the interest of accuracy, data are withheld when they fail to meet NSI Reporting Standards for any of several reasons.

It should be recognized that NSI data do not provide a measure of program or artist popularity per se, because such data also reflect other factors; e.g., station popularity; time of day; season; weather; and competing, preceding and following programs. Similarly, NSI data do not provide a measure of station popularity or values per se, because such data also reflect other factors; e.g., program and artist popularity; time of day; season; weather; and competing, preceding and following programs.

SECTION B
Metered Market Services

SECTION B.I.A.

SAMPLE DESIGN — AREA PROBABILITY FRAME METHODOLOGY

A. MASTER SAMPLE OF HOUSING UNITS

1. INTRODUCTION

The Metered Market¹ Samples of television households are used to obtain audience estimates with measurable reliability of television programs for stations which originate in or are assigned for reporting purposes to Meter Market Areas (DMA). The samples selected in each metered market (cf., the sample for non-metered markets described in Section A.I.B.) consist of television households used exclusively for each Metered Market service. These samples are based on the 1980 Census data and recent estimates of housing inventory. In addition, the samples are updated with newly constructed housing units each year as described in Section B.1.B. Annual estimates of total households by county and sub-county are used to update the sample allocation each year as described in Section B.1.C.

Beginning in 1987 a new meter sample methodology was introduced by Nielsen Media Research. The sample design for the new metered markets is based on a sampling frame consisting of all active telephone households. The sampling procedures are described in Section B.II.

The text provided on the following pages is primarily confined to sampling and measurement techniques employed in reporting metered samples. Prior sections in this Reference Supplement deal with the methods used to specify and measure diary samples. Since the metered markets also use diary samples (in addition to metered samples) primarily for gathering and reporting TV persons audience information, the reader may assume that the same methods described in prior sections also apply to the metered markets except where differing explanations are offered. Diary samples are selected from the Total Telephone Frame in Metered Market DMA counties and in the remainder NSI (non-DMA) counties.

2. THE MASTER SAMPLE DESIGN

The sample design of the meter market samples is based on 1980 Census and/or updated Census estimates and consists of selecting a Master Sample of housing units from the entire DMA. Each DMA sample is selected using a multi-stage area probability design. The sample design includes several levels of stratification and uses controlled selection to optimize the desired distribution of the sample at each stage of selection.

a. Stratification

The counties comprising the respective DMA are formed into a Primary Area in which all counties are included with certainty. Census Bureau defined Block Groups (BGs) and Enumeration Districts (EDs) are stratified by county or sub-county and within county by percent minority and percent of households with children. A total of four minority and three child household levels are used. Any county in the DMA having 10% or more of the total DMA housing units is also stratified into sub-county areas. Each sub-county contains a minimum of 5% of the total DMA housing units.

The purpose of the stratification is to help insure that the samples selected more closely match the population of these geographic and population characteristics.

b. Sample Selection

Controlled selection is used to determine the desired number of sample housing units to select from each strata. Within each strata, the desired sample of Block Groups and Enumeration Districts are systematically selected. The controlled selection method insures the selected sample areas match closely to the 1980 Census or updated estimates for the specified characteristics.

Within BGs the Census provides individual "block statistics" which includes housing unit counts. Blocks are selected in a manner similar to BGs, i.e. the blocks within the BG are listed, cumulative housing units counts are obtained for each block and sample block is randomly selected with probability proportionate to the number of housing units in each block. Small blocks are combined with adjacent blocks before selection; consequently, more than one block may be selected.

¹These currently are the New York, Los Angeles, Chicago, San Francisco-Oakland, Philadelphia, Detroit, Boston, Washington D.C., Dallas-Ft. Worth, Houston, Miami-Ft. Lauderdale, Denver and Atlanta markets.

b. Sample Selection (continued)

The sample selection to this point is done by Nielsen statisticians in the office. The remaining sample operations are carried out in the field by persons trained and supervised by Nielsen's Statistical Research Department.

In rural counties in the DMA, EDs are selected for which block statistics are not available. The procedures are:

- (1) Using Census maps, the Nielsen Statistical Research field surveyor subdivides the ED into "pseudo-blocks" using streets, railroads, rivers, etc. as boundaries. The "pseudo-blocks" are then numbered in a geographic sequence, using a predetermined starting point.
- (2) The housing units are counted in each block and cumulated. The sample block is selected based on a predetermined random number. This step is also required for sample areas consisting of BGs.

The final stage of selection is the location and selection of the sample housing units. The Statistical Research surveyor enumerates each housing unit in the sample block or ED. In rural areas, without street addresses, the surveyor usually maps the area showing the location of each housing unit. Mailbox diagrams and floor plans are also used for multi-unit structures.

In the metered samples the number of housing units selected per neighborhood is determined with probability proportionate to size. The measure of size is the original estimate of housing units reported for the area. The number of sample housing units selected is equal to the number of housing units the surveyor enumerated, divided by the measure of size. Generally, one sample housing unit per neighborhood was selected; however, in some areas where the survey count differs from the original estimate, additional sample housing units may be selected, or no sample housing unit is selected. The selected housing unit is based on a predetermined random number for the area.

Besides listing the predesignated sample housing unit in each sample segment, a number of housing units following the predesignated housing unit are listed and reserved as substitutes in the event the predesignated sample household refused to cooperate.

3. SAMPLE DESIGNS FOR MARKETS SELECTED AFTER THE 1980 CENSUS SAMPLE DESIGN

The sample designs for the following markets are identical in procedures to the 1980 Census Sample Design except for the differences noted below.

a. Stratification

(1) Houston

In addition to the three child household levels, four levels for Spanish and four levels for Black are included.

(2) Miami-Ft. Lauderdale

In addition to the three child household levels, four levels for Spanish and four levels for Black are included.

(3) Denver

There are five levels for child, four levels for median age of persons and three levels for Spanish.

(4) Atlanta

There are five levels for child, four levels for median age of persons and six levels for Black.

b. Sample Selection

The samples for the Houston, Miami, Denver and Atlanta markets are selected systematically from a frame in which the strata are ordered in a hierarchic serpentine manner within and between counties. This ordering along with the stratification of PSUs, ensures that the selected sample areas match closely the population for the specified geographic and population characteristics.

SECTION B.I.B.
SAMPLE UPDATING

This section describes the procedures used to introduce newly-constructed housing units into the Master Sample each year. The objective is to give all new housing units the same chance of being included as the original sample of housing units thus maintaining the representativeness of all housing units.

In the metered market areas, nearly all residential new construction requires a building permit. The Census Bureau obtains data on the number of housing units authorized for construction by each building permit office in the United States. This information is purchased by Nielsen for use in updating the Master Sample to include samples of newly-constructed housing units. The building permit data is obtained by month and processed throughout the year. New construction updating is done more frequently in faster growing DMAs.

Selection of newly-constructed housing units is done as follows:

- a. The building permit offices are listed alphabetically within each of the sample counties.
- b. The number of housing units authorized for construction is obtained for each building permit office and cumulated.
- c. The cumulated housing unit counts are systematically sampled using the original sampling rate used for the DMA Master Sample. This work is done in the Nielsen office.
- d. Statistical Research Department surveyors are sent to the selected building permit offices. In each office the surveyor systematically arranges the permits (usually by date), determines the randomly selected permit and identifies the sample housing unit(s) together with the geographic location. Similar information is obtained for additional new housing units to be used as substitutes in the event the selected household refuses to cooperate.
- e. The surveyor obtains the address or the geographic description of the sample housing units and locates these units on a map. Housing units still under construction or not yet started remain in the sample. The construction status of these units is checked periodically for completion at which time the units are eligible for inclusion in the Master Sample.

SECTION B.I.C.
OPERATIONAL SAMPLES

As stated above, 1980 Master Samples provide the housing units for the metered market operational samples.

Estimates of the number of housing units are made annually for each county in the United States. For counties which are divided into sub-counties, estimates are made at the sub-county level and laced to the county totals. The county allocation of specifications is also done at the sub-county level where applicable. For the counties in each metered market area, the county share of housing units is computed by dividing each county's respective housing unit estimate by the total DMA housing unit estimate. The county shares are then multiplied by the desired metered market sample size to determine the number of sample housing units to be specified for each county. If a county accounts for an increasing or decreasing share of all housing units in the market area, it will also account for an increasing or decreasing share of the metered operational sample housing units.

Through the procedures of sampling new construction and periodic updating via household and housing unit estimates, growth and population shifts are reflected in the metered markets.

SECTION B.I.C. (Cont'd)

The total sample size specified for the metered markets as of July 1989 is 680 for New York, 655 for Chicago, 647 for Los Angeles, 687 for San Francisco-Oakland, 610 for Philadelphia, 550 for Detroit, 519 for Boston, 598 for Washington, D.C., 615 for Dallas-Ft. Worth, 665 for Houston, 705 for Miami-Ft. Lauderdale, 600 for Denver, and 535 for Atlanta. This represents a sample of housing units, of which some units may be vacant, non-TV, non-phone (and unlisted phone) households, etc. Households with persons employed in advertising or media fields are excluded from the sample. Due to systematic turnover, replacement of sample homes, as well as normal turnover, some households will also be temporarily uninstallable; i.e., outstanding while the field staff seeks the households' cooperation for meter installation. As a result of the above, the number of TV installable households as of July 1989 is approximately 565 for New York, 535 for Chicago, 540 for Los Angeles, 505 for San Francisco-Oakland, 510 for Philadelphia, 405 for Detroit, 435 for Boston, 440 for Washington, D.C., 405 for Dallas-Ft. Worth, 405 for Houston, 540 for Miami-Ft. Lauderdale, 405 for Denver, and 410 for Atlanta.

Due to non-cooperation, predesignated households specified for installation (referred to as "basics") in metered markets may be substituted with "alternate" households. Such alternates must match the basic with respect to TV ownership and child/no child (child defined as a household member under 18 years of age). Effective June 1, 1983, all specifications issued for normal turnover must also match the cable/non-cable status of the originally specified Basic household. Beginning with Quarter 3 of 1984 Forced Turnover, the signed alternate must match the child/no child and cable/no cable status of the originally specified basic households. Additional sample specifications may be used due to divulgence of the sample home or unsafe sample neighborhood and other such reasons to prohibit using a sample point.

The Meter Sample is a continuing sample which is systematically updated. Use of a continuing panel has both advantages and disadvantages. For example:

- Expenditures for a sample selection technique are warranted that in many cases would be uneconomic for samples to be used but once.
 - A continuing panel provides greater accuracy for trend information.
 - A continuing panel permits producing certain types of special analyses otherwise unobtainable, such as measurements combining several programs and several survey periods.
- Disadvantages:
- Households which cooperate over a period of time may be or may become less representative of the universe than one-time-only cooperators.

In the opinion of Nielsen, the advantages of a continuing panel (provided it is systematically updated) outweigh the disadvantages.

Nielsen exercises supervision over field reps in an effort to detect any performance which departs from prescribed procedures and takes prompt corrective measures when deviations are noted. However, since any activity of this nature is subject to human failure, the accuracy of the data may be affected by occasional deficiencies in field work.

SECTION B.I.D.

SAMPLE TURNOVER

The metered markets' operational sample design provides for the systematic replacement of households which have been in the sample for five years. The turnover plan is designed so that no metered market housing unit will remain in the sample substantially longer than five years. Such sample households are replaced over a period of 20 calendar quarters by dividing the sample into 20 independent samples. Beginning with Quarter 2 of 1990 sample households will be replaced on a monthly basis, with each meter sample being divided into 60 independent samples. When a new metered market is specified, sample replacement generally begins one year after the market is operational. This means that some households would be replaced in the sample after as little as one year; thereafter, all sample households would be replaced per the five-year program.

SECTION B.I.D. (Cont'd)

In addition to the systematic sample replacement, there is turnover of sample households because of natural causes. This consists of households moving, deaths, demolition and non-cooperation.

SECTION B.I.E.

SAMPLE BALANCING

The Washington, D.C., Denver, Detroit, San Francisco, Houston, Atlanta and Dallas Meter Sample are being balanced periodically to demographic universe estimates. The sample of installed households in each market are sub-sampled such that the resulting reporting sample is more closely balanced to the universe estimates (or controls).

The controls being balanced in the Washington, D.C. Meter Sample include age of householder (less than 35, 35-54, 55 and over), presence of non-adult (any under 18, none less than 18), cable status, race (black, non-black) and geography (District of Columbia, Montgomery, Pr. Georges, and Fairfax counties, and remainder Metro and remainder DMA counties). The Denver Meter Market Sample is balanced on age of householder, presence of non-adults, cable status and geography (Arapahoe, Denver, and Jefferson counties and remainder Metro and remainder DMA). The Detroit Meter Market Sample is balanced on age of householder, presence of non-adults, race and geography (Oakland and Wayne counties, and remainder Metro and remainder DMA counties). The Atlanta Meter Market Sample is balanced on age of householder, presence of non-adults, race, cable status, number of operable TV sets, and geography (Fulton, DeKalb, and Cobb counties, remainder Metro and remainder DMA counties). The San Francisco-Oakland Meter Market Sample is balanced on age of householder, presence of non-adults, Spanish, and geography (Alameda, San Francisco, Contra Costa-W, San Mateo, and Santa Clara counties, remainder Metro and remainder DMA counties). The Houston Meter Market Sample is balanced on age of householder, Spanish, race, cable status, household size and geography (Metro and remainder DMA counties). The Dallas Meter Market is balanced on age of householder, presence of non-adults, race, cable, and geography (Dallas and Tarrant counties and remainder Metro and remainder DMA counties).

SECTION B.I.F.

MEASUREMENT TECHNIQUES

The measurement system uses automatic instrumentation that electronically stores minute-by-minute records of TV receiver tunings in Metered Market Sample households. These records are inherently free of "response error" in that they require no effort, recall, or reply from persons in the sample regarding dial settings, station call letters, programs, and the like. The tuning records are automatically communicated by phone to a central computer each day. The metering system can monitor up to 12 TV sets.

In metered market households, portable sets are normally metered by supplying special outlets in all the rooms where these sets are used, so that the household may move a portable set from one room to another. If this is impractical, a "carrier current link", which uses the house's electrical wiring as a communication path, is installed on the TV set.

NSI's policy is to meter all operable TV receivers within Metered Market Sample households, including those TV receivers considered inactive or "little used", with the exception that if we are told that a set won't be used during the next 180 days, our field representative will place a seal on the power plug; if the household will not consent to this, a responsible member is asked to sign an affidavit confirming the set's inactive status. While Nielsen attempts to learn of every TV set present in each sample household and to be notified of any changes or additions to the household's TV set complement, occasionally such knowledge will not be complete resulting in a few sets not being metered (or covered by affidavits) at any given time. Upon discovery of a non-metered set, a household will be withheld from tabulation until such time as this condition has been processed as described above. TV receivers belonging to roomers, boarders or servants and watched exclusively by such persons are not metered. Roomers, boarders or servants are not considered as part of the household.

See Section A.I.E. for measurement methods of the diary sample.

SECTION C
NSI Analyses and "Permissible Uses"

SECTION C.I.A.

PERMISSIBLE USES OF NSI ANALYSIS DATA

As a matter of contract, each NSI Client is obligated to protect the contents of NSI Analyses against unauthorized divulgence and possible misuse or misinterpretation of the data, under a set of stipulations contained in each copy of these analyses and titled "Permissible Uses". The current version of that text is as follows:

This analysis is furnished pursuant to Client's employment of Nielsen to secure these data for the Client's confidential use and is furnished on the basis of Client's representation that it has a continuing legitimate business interest in the subject matter herein and on Client's agreement that the divulgence of the contents will be limited as follows:

Advertiser Clients:

- (a) To Client's own organization — including sales representatives.
- (b) To Client's own Advertising Agencies, active or prospective, provided that the data will not be used for time-buying purposes or otherwise except only for serving the Client.
- (c) To Stations contracting for this service.
- (d) To program Producers and Artists serving or negotiating with Client's organization.

Advertising Agency Clients:

- (a) To Client's own organization.
- (b) To Client's clients and prospective clients excluding stations who are non-clients to this service.
- (c) To Program Producers and Artists servicing or negotiating with Client's organization.
- (d) In connection with time-buying to stations contracting for this service.

Station Clients, Station Representatives, Producers and Other Clients:

- (a) To Client's own executives — including sales representatives.
- (b) To Agencies, Advertisers and others having a legitimate business interest in the subject of this analysis, provided that no divulgence will be made to non-Client stations or their representatives under any circumstances and that this analysis will not be lent to non-Clients, whether Advertisers, Agencies, Stations or others.

Nielsen's prior written approval is required for quotation of NSI data in advertising, promotion or press releases. Such approval may be withheld unless the quotation is in accordance with Nielsen's policies as may be indicated to Client in writing from time to time. No officer or employee of Nielsen is authorized to give oral approval of any form of publication.

SECTION C.I.B.

CLIENT REVIEW OF NSI DIARIES

Should a client wish to review the actual diaries which contributed to a report for their market, such arrangement for a one-day visit is possible. Written request for visits should be made through the appropriate NSI Sales/Service Representative at least three weeks prior to the date desired, with Nielsen providing the space, time and experienced Diary Checking personnel to facilitate the review. All such visits are conducted at the A. C. Nielsen production facilities in the Dunedin, Florida area located near Tampa, Florida. Information on the identity of the household is considered confidential and no information can be taken from diaries in this regard. Tape recorders, computer terminals, verbatim copying, photocopying and tallies of data are prohibited.

SECTION C.I.C.

GROUND RULES FOR ADS AND PROMOTIONS

The following ground rules have been prepared to expedite the clearances of ad and promotional materials containing NSI data. Questions relating to the implementation of these ground rules should be referred to the NSI Sales/Service offices.

1. Any proposed ad and/or promotional materials containing Nielsen data (including Special Analyses) must be submitted to Nielsen for approval. Materials should be submitted in writing. The physical layout is to be submitted to Nielsen in sufficient time to permit verification of the accuracy of the data, checking for misleading text and making sure all footnotes are complete and in order.

SECTION C.I.C. (Cont'd.)

2. Ad and other promotional material approvals will be stated in writing; if time limitations require telephone approvals, written confirmation will follow. If materials are run without being submitted or if materials are run that have been submitted but have not been approved, Nielsen disclaims responsibility for such action by the subscriber and reserves the right to take appropriate action.
3. Standard B-11 of the "Minimum Standards for Broadcast Rating Research" published by the Electronic Media Rating Council, Inc., and revised by the EMRC Board on June 21, 1979, requires that in the event a rating service has established that any station has employed any special non-regular promotional techniques and/or exhortation to the public to cooperate in rating surveys that may distort or "hypo" ratings, then said rating service will publish in the appropriate report a notice to this effect. In such event, Nielsen will not approve the use of the pertinent NSI figures in advertising and/or promotional material by subscribers without appropriate disclosure. In this connection, the attention of clients is also directed to the Federal Trade Commission's guidelines regarding deceptive claims of broadcast audience coverage released July 8, 1965.
4. Source of information (identify survey as special report, weekly, over-nights, VIP, etc., if that is the case), measurement period(s) covered, type of ratings used, e.g., DMA Household rating, Metro Household rating, etc., must be clearly identified either in the body of the ad or promotional material or via appropriate footnote. For example:

"Nielsen Station Index (NSI) audience estimates, September 28 to October 25, 1985 analysis. Subject to qualifications described in said analysis."

The foregoing language, including the reference to audience "estimates" and "qualifications", is designed to meet the FTC guidelines of July 8, 1965, a copy of which has been furnished to each Client and is available on request at any time.

5. Nielsen letterheads (or Nielsen logos, reproduction of NSI Analysis covers or pages, etc.) may not be used in ads and/or promotional materials.
6. Colloquial phrases or slang terms which could mislead or could be detrimental to A.C. Nielsen Company cannot be used. For example:
 - the majestic Nielsen says . . .
 - let's raise the program flags and see who Nielsen salutes . . . etc.
7. Text must not be misleading or ambiguous. Here are two examples:
 - Ad #1 Version A — Station X has been Number 1 continuously all season.
 - Ad #2 Version B — Station X has been Number 1, on the average, all season.

These ads mean different things. In Version A, the station would have had to be Number 1 in each NSI Analysis across the period involved. In Version B, 5 out of 9 would suffice.

8. Stations define daytime, early fringe and evening hours differently. Whereas a single standard is most desirable, the possibilities of agreement to such a standard at present appear nil. We would welcome agreement; in the absence of agreement, we are not prepared at this time to insist on a particular classification. Differences in definition, therefore, will be acceptable when the covering footnote is accurate and complete.

SECTION C.I.D.

A BRIEF DESCRIPTION OF NSI ANALYSES

1. NSI AUDIENCE ESTIMATES

a. Basic Data Analyses

"Viewers in Profile" (VIP) Analyses are the basic NSI reports for market-by-market and station-by-station TV audience estimates. They are produced from three to seven times per year (depending on market size) and typically as averaged week estimates based on diaries gathered over four-week periods, using approximately a fourth of the total samples for one week in each of the four weeks.

Where desirable to avoid Daylight/Standard time changes, or to exclude unusual one-time events, the periods may be shortened to two or three weeks or expanded to include three or four measured weeks out of five calendar weeks.

(1) Metro Quarter/Half-Hour VIP Analyses

This is the Primary Analysis type, used for all major TV markets for which a Metro or Central Area has been designated. In addition to the standard station total audience estimates indicated for all analyses, these analyses supply Metro Area Ratings and Shares and DMA Ratings by quarter/half-hours (dependent on the predominant scheduling of program periods at various times of the day or week), together with recap averages for major Dayparts.

- (a) Where adjacent Metro markets are served by some stations and station combinations in common but with other facilities serving only one of the Areas, NSI may substitute a "Multi-Metro" format, identical with number 1 above, except that separate Metro ratings are supplied for Area A vs. Area B vs. C, etc., without inclusion of "shares" to provide the necessary space for reporting.
- (b) In the Metered Market DMA's, where the Storage Instantaneous Audimeter is the source for audience estimates (in terms of TV household ratings only), the sample operates continuously for at least 50 weeks a year. This automated type of reporting supplements the type (1) analysis for the Metered Markets by means of optional daily and weekly analyses with DMA Ratings.

(2) Area Quarter/Half-Hour Analyses

- (a) For DMA's with no well defined central core, or where service is of an area-type (with or without wide geographic dispersion via satellites, Cable and/or other supplementary facilities), or where sample sizes for a central core may be insufficient for separate divulgence of localized ratings. NSI may issue analyses without Metro Ratings or Shares. Such analyses without central cores are limited to reporting on stations originating in the named market (city of origin) with the exception of the Daypart Section, but in all other respects are identical with type 1 without Metro Ratings and Shares.
- (b) For markets with neither a DMA nor Metro Area, NSI may issue analyses limited to reporting of station total audience estimates for stations originating in the named market. No outside stations are reported.

(3) Special Market Area Reports

These analyses are produced for certain non-DMA markets in place of the standard VIP. The Metro/Central Area for these markets or some other geographical definition is defined as the Special Market Area (SMA), and data for the SMA are reported as though it were a DMA.

SECTION C.I.D. (Cont'd.)

(4) Daypart Analyses

For periods or markets where sample sizes may be insufficient for individual quarter/half-hour TV audience estimates, NSI may release analyses similar to type 1 or type 2 above but confined entirely to Daypart Averages.

b. Supplementary Reports

NSI also issues a number of supplementary reports which are based primarily on retabulations of VIP data. The major reports for the 1989-90 season are as follows:

(1) Viewers In Profile Reference Volumes

At the conclusion of each "all-market" measurement cycle (including July) and at seasonal intervals otherwise, NSI combines all of the individual VIP Analyses into a minimum number of practical sized volumes for reference use by clients. The information in these "sets" is identical with the final issues of VIP data for each market, in an alphabetic market sequence.

(2) NSI Market Daypart Summaries

These summaries follow the publication of VIP's for each "all-market" measurement cycle (excluding July) and are limited to Daypart Audience Summaries, geographic delineations and appropriate market data information.

(3) Network Programs By DMA

Four editions of the Network Programs by DMA analysis are issued (Nov., Feb., May and July) to assist media planners in allocating network audiences or expenditures by local TV markets. Station management can also determine how well network programs perform in their market compared to other markets of similar size.

The analysis shows station-by-station and DMA audience estimates for each qualifying network program. This includes the estimated average quarter-hour Metro and/or DMA rating and share, station total and DMA total households. Key persons data are reported for various categories depending on program type. These data are on a "pure" program basis. The station lineups of this analysis are derived from program logs supplied to NSI by each station.

Another feature of the Network Programs by DMA analysis is the summary of households and persons ratings for the total U.S. by each reported program. There are also territorial summaries by Nielsen Marketing Research Service areas and a listing of the total number of stations carrying the program.

Separate sections of this analysis show the average performance of each network by broad daypart by market and a combined network average. These network averages are reported in two ways: on a cleared program basis, and on the basis of all available network time periods regardless of clearance.

(4) DMA Test Market Profiles

Market statistics for every DMA in the country are reported in one convenient volume — NSI's Test Market Profiles. This volume contains detailed information for each DMA on the media, the market place and population characteristics.

SECTION C.I.D. (Cont'd.)

(5) DMA TV Trends By Season

Audience trends across the four seasons are reported for all Designated Market Areas in the DMA TV Trends by Season analysis. The analysis is produced following the July all-DMA measurement and shows a seasonal index of principal persons categories as well as DMA households. These audience estimates are cross-indexed to each "all-market" measurement period so that the user can quickly evaluate variations for November, February, May and July. For markets measured in October, January or March, as well as the "all-market" periods, audience estimates are cross-indexed for all seven measurement periods in a separate section. This analysis includes Persons Using Television (PUT) for seven demographic Persons categories in addition to Households Using Television (HUT).

(6) DMA Audience Allocation Analysis

This analysis provides information on the spill-in and spill-out of TV audiences between DMA's. Overall viewing activity and for individual stations within a DMA is allocated by local and outside stations. Local market stations viewing is also allocated among adjacent DMA's where audience occurs. An Index of Spill-Out Audience is useful for allocating advertising weight by market and by station. DMA Audience Allocation Analysis is issued each year. Data are combined from the Fall, late Winter and Spring measurement periods to produce this analysis.

(7) Report On Syndicated Programs

Over 300 syndicated programs and a comprehensive profile of their audiences, competition and lead-in programs are contained in this analysis which is published four times a year. Especially useful are the rankings by program type and demographics (a feature that allows clients to evaluate a program's performance across markets).

IT SHOWS:

- (a) General information, including distributor and program type
- (b) DMA summaries by market size
- (c) Households and persons summaries by daypart
- (d) Household and viewer demographics by station
- (e) Lead-in audiences
- (f) Competition and its performance

NSI's Report on Syndicated Programs is useful for anyone selling, buying or scheduling syndicated programs.

(8) DMA Total Activity Report

This report provides an analysis of ALL television activity in each DMA in one convenient format. Networks, independents, superstations, subscription TV, public broadcasting, cable origination and pay cable are reported for seven major dayparts. Shown are the estimated audiences for each program source, how much viewing is to sources inside and how much to sources outside each DMA, in both cable and non-cable households.

The report is issued each all-DMA measurement period, (November, February, May and July).

(9) DMA Planners' Guide

The DMA Planners' Guide is published four times per year at the conclusion of each NSI "all market" measurement cycle (plus July). This analysis provides average quarter-hour DMA ratings, HUT/PUT ratings and a weighted average for cumulative rank order market groups. Ratings are computed for selected demographics for each of nine dayparts for local reportable stations, local network reportable stations, and local independent reportable stations (all excluding PBS stations). A listing is provided in rank order of reportable commercial stations within a DMA.

SECTION C.I.D. (Cont'd.)

(10) Weekly Preview Reports

NSI Weekly Preview Reports contain totals, demographic data and trend data for the earlier detection of changes in program audiences. The NSI Weekly Preview Report, produced for one market, covers 10 key weeks of television advertising activity. Reported data include individual weeks, two-week trends, station totals and DMA households and demographics.

Each of the reports are mailed approximately fourteen days after the measured weeks. Users have an earlier opportunity to evaluate new programs and one-time specials, election coverages, sporting events and individual movie titles.

(11) County Coverage Studies

This supplement is a retabulation of the four major measurement intervals showing viewing for all TV stations in addition to Cable Program Suppliers, Canadian and Mexican stations. It is published in three sequences: County, DMA and Station. Data reported include the following: station household projections and shares by counties in all dayparts, cable households projections and shares by counties in six dayparts, and stations on air less than four sweeps with data reported on only those sweeps when measured as well as a four-sweep average. Non-cable household projections and shares, as well as non-cable household cume percents are reported for one daypart.

c. Supplements and References

(1) NSI Plus

In addition to the basic VIP and supplementary reports and analyses, NSI offers clients a wide range of special studies. Many NSI Plus specials utilize standard formats, others can be tailored to meet your specific needs. For example, a cumulative audience study can be used to quickly determine unduplicated or cumulative audience for two or more TV spots; audience flow or studies on viewing in particular geographic areas to determine strengths and weaknesses; sales areas can be analyzed by DMA or tailored to your own requirements; county-by-county studies and combined target audience studies are also available.

(2) Special Station Area Analyses

Where NSI reporting standards permit, NSI clients may order Special Area or Time Period recaps of the original diary (or Instantaneous Audimeter) data to present NSI estimates in suitably described redefined combinations. Such Special Analyses are separately identified (to avoid confusion with regular VIP analyses) and if printed for multi-copy distribution, are confined to designated recipients from within the list of regular VIP analysis recipients for data on the subject market or stations.

(3) Pay Cable Report

The National Pay Cable Report provides TV audience estimates for Pay Cable, Home Box Office, Showtime and The Movie Channel programs. It includes viewing information for the following classifications: pay cable combined, the three networks separately for all local affiliates combined, local PBS affiliates combined, local multi-affiliates combined, local independents in their own market combinations, distant imported stations and stations transmitted nationwide via satellite.

SECTION C.I.D. (Cont'd.)

(4) Special Reports

NSI also publishes a wide array of special reports, to aid in planning and coordinating advertising campaigns and programming activities.

(5) Computer Data Tapes

For clients with access to a computer, NSI makes available computer tapes with published data for Viewers In Profile, Network Programs by DMA, TV Trends by Season, Household and Demographic Universe Estimates, Zip Codes by DMA, County-by-County Station Viewing Estimates, DMA Planners Guide, Test Market Profiles, DMA Audience Allocation, Report on Syndicated Programs, Report on Devotional Programs, Report on PBS Programs, DMA Total Activity, Weekly Metered Market and VIP Spill Tape. Consult your NSI representative for tape specifications.

(6) Computer Data Diskettes

For clients with IBM-compatible personal computers, NSI offers computer data diskettes with published data for State/County Universe Estimates, Market Universe Estimates, Zip Codes by DMA, Zip Codes by DMA and State/County with DMA ranking, DMA's by Zip Code and DMA Planners Guide. In addition, NSI makes available customized software for use with Viewers in Profile diskettes. These products include Spotbuyer, Audience Analyst and Postbuy Reporter. Consult your NSI representative for further information regarding this service.

(7) Custom Research Services

Our Custom Research Service facility is qualified to undertake all types of studies for broadcasters, advertisers, and other organizations as well. For example, we can provide picture quality studies, station image studies, follow-up studies of audiences for special programs, studies of special market or demographic groups or we can tailor a study to meet your particular needs.

(8) Research and Development Analyses

From time to time, Nielsen undertakes special research projects designed to illustrate new concepts or techniques or to test some new development by practical applications.

(9) References

To aid clients in their planning and in the interpretation of various standard reports and analyses or services, NSI issues the following reference booklets:

(a) NSI Directory of TV Stations and Markets

In the late summer of each year, in preparation for the forthcoming television season, NSI releases its master list of stations, markets and reporting schedules as then anticipated for the year. The NSI Directory, as implied, is a reference book designed to "catalog" the hundreds of NSI reports and analyses produced each year.

(b) NSI Reference Supplement

This is an informational brochure, revised each season, which serves as an important Appendix to each client agreement. The Reference Supplement covers the technical details of NSI procedures and interpretations and also provides background to NSI policies. The material expands on the procedures and points made in the VIP text. Users find it answers most of their questions about techniques employed by NSI, such as cell projection, minimum reporting standards and established interpretations.

(c) Universe Estimates, Guides and other useful aids

Several brochures, universe estimates, ranking tables, maps and other mechanical aids — for better use and interpretation of data are produced each year. These are available on request for clients and others in broadcast advertising.